



**DEPARTMENT OF THE INTERIOR**

**Fish and Wildlife Service**

**50 CFR Part 17**

**[Docket Nos. FWS–R3–ES–2013–0043; FWS–R3–ES–2013–0017]**

**[4500030114]**

**RIN 1018–AY01; 1018–AZ58**

**Endangered and Threatened Wildlife and Plants; Listing and Designation of  
Critical Habitat for the Dakota Skipper and the Poweshiek Skipperling**

**AGENCY:** Fish and Wildlife Service, Interior.

**ACTION:** Proposed rule; reopening of comment period.

**SUMMARY:** We, the U.S. Fish and Wildlife Service (Service), announce the reopening of the public comment period on the October 24, 2013, proposal to designate critical habitat for the Dakota skipper (*Hesperia dacotae*) and Poweshiek skipperling (*Oarisma poweshiek*) and proposed 4(d) rule for the Dakota skipper under the Endangered Species Act of 1973, as amended (Act). We are also revising our proposed critical habitat rule to add two proposed critical habitat units for the Poweshiek skipperling in Minnesota, remove two proposed units (one for the Dakota skipper in Minnesota and one for the Poweshiek skipperling in North Dakota), and revise the boundaries of seven Poweshiek skipperling units and five Dakota skipper units in Minnesota. These changes are proposed based on new or updated biological and ecological information for those areas. We also announce the availability of a draft economic analysis (DEA) of the proposed designation of critical habitat for the Dakota skipper and Poweshiek skipperling and an amended required determinations section of the proposal. We are reopening the comment period to allow all interested parties an opportunity to comment simultaneously on the proposed 4(d) rule, the proposed critical habitat rule (including the changes described in this document), the associated DEA, and the amended required determinations section. Comments previously submitted need not be resubmitted, as they will be fully considered in preparation of the final rule.

**DATES:** For the proposed 4(d) rule found at Docket No. FWS–R3–ES–2013–0043, we will consider comments received or postmarked on or before October 7, 2014. For the

critical habitat proposal and the draft economic analysis found at Docket No. FWS–R3–ES–2013–0017, we will consider comments received or postmarked on or before [INSERT DATE 30 DAYS AFTER DATE OF FEDERAL REGISTER PUBLICATION]. Comments submitted electronically using the Federal eRulemaking Portal (see **ADDRESSES** section, below) must be received by 11:59 p.m. Eastern Time on the closing dates shown above.

**ADDRESSES:**

*Document availability:* You may obtain copies of the proposed rules, the associated documents, and the draft economic analysis on the Internet at <http://www.regulations.gov> at Docket No. FWS–R3–ES–2013–0043 (proposed 4(d) rule) or Docket No. FWS–R3–ES–2013–0017 (proposed critical habitat and draft economic analysis) or by mail from the Twin Cities Ecological Services Field Office (see **FOR FURTHER INFORMATION CONTACT**).

*Written Comments:* You may submit written comments by one of the following methods:

(1) *Federal eRulemaking Portal:* <http://www.regulations.gov>. In the Search box, enter the Docket Number FWS–R3–ES–2013–0043 (proposed 4(d) rule) or FWS–R3–ES–2013–0017 (proposed critical habitat), which are the docket numbers for these rulemakings. You may submit a comment by clicking on “Comment Now!” Please ensure that you have found the correct rulemaking before submitting your comment.

(2) *U.S. mail or hand delivery:*

- Submit comments on the proposed 4(d) rule for the Dakota skipper by U.S. mail or hand delivery to: Public Comments Processing, Attn: Docket No. FWS–R3–ES–2013–0043; U.S. Fish & Wildlife Headquarters, MS: BPHC, 5275 Leesburg Pike, Falls Church, VA 22041-3803.
- Submit comments on the critical habitat proposal and the draft economic analysis for the Dakota skipper and the Poweshiek skipperling by U.S. mail or hand delivery to: Public Comments Processing, Attn: Docket No. FWS–R3–ES–2013–0017; U.S. Fish & Wildlife Headquarters, MS: BPHC, 5275 Leesburg Pike, Falls Church, VA 22041-3803.

We will post all comments on <http://www.regulations.gov>. This generally means that we will post any personal information you provide us (see the **Public Comments** section, below, for more information).

**FOR FURTHER INFORMATION CONTACT:** Peter Fasbender, Field Supervisor, U.S. Fish and Wildlife Service, Twin Cities Ecological Services Field Office, 4101 American Boulevard East, Bloomington, MN 55425; telephone 612–725–3548; or facsimile 612–725–3609. Persons who use a telecommunications device for the deaf (TDD) may call the Federal Information Relay Service (FIRS) at 800–877–8339.

## **SUPPLEMENTARY INFORMATION:**

### **Public Comments**

We will accept written comments and information during this reopened comment period on our proposed 4(d) rule for the Dakota skipper and the proposed designation of critical habitat for those species that were published in the **Federal Register** on October 24, 2013 (78 FR 63574 and 78 FR 63625, respectively), our DEA of the proposed critical habitat designation, and the amended required determinations for the proposed critical habitat designation provided in this document. We will consider information and recommendations from all interested parties. We are particularly interested in comments concerning:

(1) The reasons we should or should not designate habitat as “critical habitat” under section 4 of the Act (16 U.S.C. 1531 *et seq.*), including whether there are threats to the species from human activity, the degree of which can be expected to increase due to the designation, and whether that increase in threat outweighs the benefit of designation such that the designation of critical habitat may not be prudent.

(2) Specific information on:

(a) The amount and distribution of Dakota skipper and Poweshiek skipperling habitat;

(b) What areas, that were occupied at the time of listing (or are currently occupied) and that contain features essential to the conservation of the species, should be included in the designation and why;

(c) Special management considerations or protection that may be needed in critical habitat areas we are proposing, including how to implement livestock grazing, haying, or prescribed fire in a manner that is conducive to the conservation of Dakota skipper or Poweshiek skipperling, and managing for the potential effects of climate change; and

(d) What areas not occupied at the time of listing are essential for the conservation of the species and why.

(3) Land use designations and current or planned activities in the subject areas and their possible impacts on proposed critical habitat.

(4) Information on the projected and reasonably likely impacts of climate change on the Dakota skipper and Poweshiek skipperling and proposed critical habitat.

(5) Any probable economic, national security, or other relevant impacts of designating any area that may be included in the final designation; in particular, we seek information on any impacts on small entities or families, and the benefits of including or excluding areas that exhibit these impacts.

(6) Whether any specific areas we are proposing for critical habitat designation should be considered for exclusion under section 4(b)(2) of the Act, and whether the benefits of potentially excluding any specific area outweigh the benefits of including that

area under section 4(b)(2) of the Act. Specifically, we seek information regarding the benefits of excluding or including properties that are under conservation easement to the U.S. Fish and Wildlife Service or another conservation agency, or properties held by conservation organizations. Additionally, we are seeking information to better understand how the potential exclusion or inclusion of specific private lands in the final critical habitat designation would affect private landowner interest and acceptance of programs that are intended to conserve native grasslands in the range of Dakota skipper and Poweshiek skipperling. We seek any information relevant to potential exclusion of any proposed critical habitat unit, and particularly seek information relating to conservation programs or plans of any kind that may protect butterfly habitat on these units.

(7) Whether any specific Tribally-owned areas we are proposing for critical habitat designation should be considered for exclusion from final designation under section 4(b)(2) of the Act, and information regarding the management of those areas.

(8) Information on the extent to which the description of economic impacts in the DEA is a reasonable estimate of the likely economic impacts.

(9) Information on actions on Tribal lands that would involve the Bureau of Indian Affairs, such as actions on lands held in trust for the benefit of a Tribe or enrolled member.

(10) Whether we could improve or modify our approach to designating critical habitat in any way to provide for greater public participation and understanding, or to

better accommodate public concerns and comments.

(11) Whether the proposed 4(d) rule for the Dakota skipper should include all counties where the Dakota skipper occurs, regardless of habitat type, with regard to exempting take caused by grazing. This would exempt incidental take of Dakota skippers as a result of activities associated with routine livestock operations in all counties where the species occurs. This change to the proposed rule would mean that take of Dakota skippers caused by livestock grazing activities would also be exempt on lands in Kittson County, Minnesota, and Eddy, McHenry, Richland, Rolette, Sargent, and Stutsman Counties, North Dakota, whereas the proposed special rule published October 24, 2013 (78 FR 63574), does not provide exemptions in those counties.

If you submitted comments or information on the proposed rules (78 FR 63574 and 78 FR 63625) during the initial comment period from October 24, 2013, to December 23, 2013, please do not resubmit them. We will incorporate them into the public record as part of this comment period, and we will fully consider them in the preparation of our final determination. Our final determination concerning critical habitat will take into consideration all written comments and any additional information we receive during both comment periods. On the basis of public comments, we may, during the development of our final determinations, find that areas proposed are not essential, are appropriate for exclusion under section 4(b)(2) of the Act, or are not appropriate for exclusion.



You may submit your comments and materials concerning the proposed rules or DEA by one of the methods listed in the **ADDRESSES** section. We request that you send comments only by the methods described in the **ADDRESSES** section.

If you submit a comment via <http://www.regulations.gov>, your entire comment—including any personal identifying information—will be posted on the website. We will post all hardcopy comments on <http://www.regulations.gov> as well. If you submit a hardcopy comment that includes personal identifying information, you may request at the top of your document that we withhold this information from public review. However, we cannot guarantee that we will be able to do so.

Comments and materials we receive, as well as supporting documentation we used in preparing the proposed rules and DEA, will be available for public inspection on <http://www.regulations.gov> at Docket No. FWS–R3–ES–2013–0043 (proposed 4(d) rule) or FWS–R3–ES–2013–0017 (proposed critical habitat), or by appointment, during normal business hours, at the U.S. Fish and Wildlife Service, Twin Cities Ecological Services Field Office (see **FOR FURTHER INFORMATION CONTACT**).

## **Background**

For more information on the Dakota skipper and Poweshiek skipperling or their habitat or on previous Federal actions concerning these species, refer to the proposed listing rule or the proposed critical habitat rule, both of which were published in the

**Federal Register** on October 24, 2013 (78 FR 63574 (proposed listings) and 78 FR 63625 (proposed critical habitat)). Those proposed rules are available online at <http://www.regulations.gov> (at Docket Number FWS-R3-ES-2013-0043 (for the proposed listings) or FWS-R3-ES-2013-0017 (for the proposed critical habitat)) or from the Twin Cities Ecological Services Field Office (see **FOR FURTHER INFORMATION CONTACT**).

#### *Previous Federal Actions*

On October 24, 2013, we published a proposed rule to list the Dakota skipper as a threatened species and the Poweshiek skipperling as an endangered species (78 FR 63574). On the same date, we also published a proposed rule to designate critical habitat for the Dakota skipper and Poweshiek skipperling (78 FR 63625). We proposed to designate approximately 11,243 hectares (ha) (27,782 acres (ac)) as critical habitat for the Dakota skipper in Minnesota, North Dakota, and South Dakota. We proposed approximately 10,596 ha (26,184 ac) for designation as critical habitat for the Poweshiek skipperling, in Iowa, Michigan, Minnesota, North Dakota, South Dakota, and Wisconsin. Approximately 6,042 of the hectares (14,931 ac) proposed as critical habitat for the two species overlapped; thus, the total area proposed as critical habitat was approximately 15,797 ha (39,035 ac). Those proposals had a 60-day comment period, ending December 23, 2013; however, we continued to accept comments between then and the reopening of the comment period announced in this document.

### *Critical Habitat*

Section 3 of the Act defines critical habitat as the specific areas within the geographical area occupied by a species, at the time it is listed in accordance with the Act, on which are found those physical or biological features essential to the conservation of the species and that may require special management considerations or protection, and specific areas outside the geographical area occupied by a species at the time it is listed, upon a determination that such areas are essential for the conservation of the species. If the proposed rule is made final, section 7 of the Act will prohibit destruction or adverse modification of critical habitat by any activity funded, authorized, or carried out by any Federal agency. Federal agencies proposing actions affecting critical habitat must consult with us on the effects of their proposed actions, under section 7(a)(2) of the Act.

### **Revisions to Proposed Critical Habitat**

We propose to revise the proposed critical habitat rule that was published on October 24, 2013 (78 FR 63625) by: (1) Removing DS Minnesota Unit 15 and PS North Dakota Unit 3; (2) adding two new units for Poweshiek skipperling in Minnesota; and (3) revising the boundaries of seven Poweshiek skipperling units and five Dakota skipper units, all in Minnesota. We are proposing these changes based on new or updated biological and ecological information for those areas.

### *Units Removed from Proposed Critical Habitat*

We are removing DS Minnesota Unit 15 and PS North Dakota Unit 3 from the proposed critical habitat designation. We received new or updated information that indicates that these areas do not meet our criteria for critical habitat as described in the proposed critical habitat rule because the habitat is no longer suitable for the species. DS Minnesota Unit 15 was 108 ha (268 ac) in Polk County owned primarily by The Nature Conservancy (102 ha (252 ac)) and included the Pankratz Memorial Prairie. The remaining 6 ha (15 ac) was private land. PS North Dakota Unit 3 was 47 ha (117 ac) of federally owned land and included Krause Wildlife Production Area in Sargent County.

### *Newly Proposed Critical Habitat Units*

We propose two new critical habitat units for the Poweshiek skipperling in Minnesota. Newly proposed PS Minnesota Unit 19 corresponds to proposed DS Minnesota Unit 13, and totals 106 ha (262 ac) of State-owned land in Kittson County, Minnesota. PS Minnesota Unit 19 is now being proposed as critical habitat based on information received from the Minnesota Department of Natural Resources (MN DNR) and a peer reviewer that this area retains good quality habitat for the Poweshiek skipperling. PS Minnesota Unit 20 is 1,117 ha (2,760 ac) of State and federally owned land in Polk County, Minnesota. This unit is proposed as critical habitat for the Poweshiek skipperling because, since the October 24, 2013, proposed rule was published, we received multi-year survey results from an amateur butterfly surveyor verifying the

species presence in this unit. The validity of the surveys was verified by a MN DNR butterfly expert. These units are described in detail below.

PS Minnesota Unit 19 (corresponds to DS Minnesota Unit 13):

Minnesota Unit 19 is comprised of two subunits totaling 106 ha (262 ac) in Kittson County owned by the State of Minnesota and is part of the Lake Bronson State Park managed by the Minnesota Department of Natural Resources Division of Parks and Recreation. Located in T161N, R46W, Sections 26, 27, 33, 34, and 35 and T160N, R46W, Sections 4 and 5, this unit occurs north of County Road 10, Minnesota approximately 2.9 km (1.8 mi) east of the intersection of County Road 10 and Highway 59. The two subunits are approximately 0.6 km (0.4 mi) apart, separated primarily by forested land or shrub-land. This unit is considered unoccupied, but recent surveys indicate that the habitat is still suitable for the species (Service 2014, unpubl. geodatabase). This unit is essential to the conservation of the species because it provides habitat essential to accommodate populations of the species to meet the conservation principles of redundancy and resiliency throughout the species' range. Additionally, this unit contains the physical or biological features essential to the conservation of the Poweshiek skipperling. The unit consists of larval and adult habitat, and contains a high-quality native remnant prairie containing a high diversity of native prairie grasses and flowering forbs. This unit may also contain small patches of lesser quality or unrated native prairie or dispersal grassland habitat that is within 1 km (0.6 mi) of native high-

quality prairie that connects patches of higher quality native prairies. The dry prairie habitats in this unit are rated by the Minnesota Natural Heritage Program County Biological Survey as good quality prairie (Service 2014, unpubl. geodatabase).

Subunit A: This 16-ha (38-ac) subunit occurs north of County Road 10 in Minnesota, approximately 2.9 km (1.8 mi) east of the intersection of County Road 10 and Highway 59, and is located in T161N, R46W, Section 33 and T160N, R46W, Sections 4 and 5. The Poweshiek skipperling was last observed in 1991 in this subunit.

Subunit B: This 91-ha (224-ac) subunit occurs north of County Road 10 in Minnesota, approximately 4.2 km (2.6 mi) east of the intersection of County Road 10 and Highway 59, and is located in T161N, R46W, Sections 26, 27, 34, and 35. The Poweshiek skipperling was last observed in 1991 in this subunit.

#### PS Minnesota Unit 20:

Minnesota Unit 20 consists of 1,117 ha (2,760 ac) in Polk County, Minnesota. Approximately 984 ha (2,432 ac) is owned and managed primarily by the Minnesota Department of Natural Resources and includes the Chicog Wildlife Management Area. The remaining 132 ha (328 ac) is owned by the U.S. Fish and Wildlife Service and is part of the Melvin Slough Wildlife Management Area. Located in T148N, R45W, Sections 20, 21, 28, 29, 32, and 33, this unit occurs south of State Highway 102 south of Melvin,

Minnesota. This unit is considered to be occupied and has had recent adult observations over multiple years (2004-2007, and 2013) (Weber 2013, in litt.). This unit contains the physical or biological features essential to the conservation of the Poweshiek skipperling. This unit consists of larval and adult habitat, and contains a high-quality native mesic prairie with a high diversity of native prairie grasses and flowering forbs, including little bluestem (*Schizachyrium scoparium*), black-eyed Susan (*Rudbeckia hirta*), and prairie clover (*Dalea* sp.).

Threats to the physical or biological features within Minnesota Unit 20 include, but are not limited to ecological succession and encroachment of invasive species and woody vegetation, and small size and isolation from other units. Special management considerations or protection that may be needed to address these threats include, but are not limited to, the control of invasive plant species and restoration of native tallgrass prairie plant community structure that result in native grasses and flowering forbs available and necessary for Poweshiek skipperling's life-history needs.

#### *Units with Proposed Revised Boundaries*

We propose to revise the boundaries of the following proposed critical habitat units: DS Minnesota Unit 4, PS Minnesota Unit 4, DS Minnesota Unit 5, PS Minnesota Unit 5, DS Minnesota Unit 7, PS Minnesota Unit 7, DS Minnesota Unit 8, PS Minnesota Unit 8, DS Minnesota Unit 10, PS Minnesota Unit 10, PS Minnesota Unit 11, and PS

Minnesota Unit 13. Since the October 24, 2013, proposal was published, we have received better information about the habitat quality in these units, allowing us to refine the boundaries to include suitable habitat and exclude habitat that is of poor quality for these species. The areas we are proposing to add all contain the physical or biological features essential to the conservation of the Dakota skipper or the Poweshiek skipperling; the areas we are proposing to remove all lack the physical or biological features essential to the conservation of the species. In total, the additions to proposed critical habitat units described below amount to approximately 813 ha (2,009 ac), and the removals from proposed critical habitat units described below amount to approximately 349 ha (862 ac). This means a net increase of approximately 464 ha (1,147 ac) to the total proposed critical habitat designation for both species. The proposed changes to these units are described below, and detailed unit descriptions are available online at <http://www.regulations.gov> in Docket No. FWS-R3-ES-2013-0017.

DS Minnesota Unit 4 (corresponds to PS Minnesota Unit 4): We propose to add approximately 161 ha (397 ac) of The Nature Conservancy (TNC) land and 32 ha (79 ac) of State-owned land to DS Minnesota Unit 4.

PS Minnesota Unit 4 (corresponds to DS Minnesota Unit 4): We propose to add approximately 161 ha (397 ac) of The Nature Conservancy (TNC) land and 32 ha (79 ac) of State-owned land to PS Minnesota Unit 4.



DS Minnesota Unit 5 (corresponds to a portion of PS Minnesota Unit 5): We propose to remove approximately 302 ha (746 ac) of private land, 15 ha (37 ac) of State land, 9 ha (22 ac) of TNC land, and 10 ha (24 ac) county land from DS Minnesota Unit 5. The net decrease in area is approximately 336 ha (830 ac).

PS Minnesota Unit 5 (a portion corresponds to DS Minnesota Unit 5): We propose to remove approximately 302 ha (746 ac) of private land, 9 ha (22 ac) of TNC land, and 10 ha (24 ac) county land from PS Minnesota Unit 5. We also propose the addition of 129 ha (319 ac) of State land to PS Minnesota Unit 5. The net decrease in area is approximately 192 ha (474 ac).

DS Minnesota Unit 7 (subunit A corresponds to PS Minnesota Unit 7): We propose to add approximately 9 ha (23 ac) of State land to DS Minnesota Unit 7, subunit A.

PS Minnesota Unit 7 (corresponds to DS Minnesota Unit 7, subunit A): We propose to add approximately 9 ha (23 ac) of State land to PS Minnesota Unit 7.

DS Minnesota Unit 8 (corresponds to PS Minnesota Unit 8): We propose to remove approximately 13 ha (31 ac) of privately owned land from DS Minnesota Unit 8.

PS Minnesota Unit 8 (corresponds to DS Minnesota Unit 8): We propose to remove approximately 13 ha (31 ac) of privately owned land from PS Minnesota Unit 8.

DS Minnesota Unit 10 (corresponds to PS Minnesota Unit 10): We propose to add approximately 25 ha (64 ac) of State land and 338 ha (835 ac) of TNC land to DS Minnesota Unit 10.

PS Minnesota Unit 10 (corresponds to DS Minnesota Unit 10): We propose to add approximately 25 ha (64 ac) of State land and 338 ha (835 ac) of TNC land to PS Minnesota Unit 10.

PS Minnesota Unit 11: We propose to add approximately 16 ha (40 ac) of TNC land to PS Minnesota Unit 11.

PS Minnesota Unit 13: We propose to add approximately 69 ha (170 ac) of TNC land and 34 ha (84 ac) of privately owned land to PS Minnesota Unit 13.

### **Additional Critical Habitat Map**

The map for three proposed critical habitat units for the Dakota skipper in Brookings County, South Dakota (SD units 20, 21, and 22) was inadvertently omitted from the proposed rule published on October 24, 2013 (78 FR 63625). That map was

subsequently made available on <http://www.regulations.gov> and the Service's website at [http://www.fws.gov/midwest/Endangered/insects/dask/dask\\_poskPropListCH24Oct2013.html](http://www.fws.gov/midwest/Endangered/insects/dask/dask_poskPropListCH24Oct2013.html). The proposed critical habitat units were included in the October 2013 proposal and detailed descriptions of each were provided at that time. The map of Dakota skipper proposed critical habitat units SD 20, 21, and 22 is published in the **Proposed Regulation Promulgation** section of this document.

#### **Consideration of Impacts under Section 4(b)(2) of the Act**

Section 4(b)(2) of the Act requires that we designate or revise critical habitat based upon the best scientific data available, after taking into consideration the economic impact, impact on national security, or any other relevant impact of specifying any particular area as critical habitat. We may exclude an area from critical habitat if we determine that the benefits of excluding the area outweigh the benefits of including the area as critical habitat, provided such exclusion will not result in the extinction of the species.

When considering the benefits of inclusion for an area, we consider among other factors, the additional regulatory benefits that an area would receive through the analysis under section 7 of the Act addressing the destruction or adverse modification of critical habitat as a result of actions with a Federal nexus (activities conducted, funded, permitted, or authorized by Federal agencies), the educational benefits of identifying areas containing essential features that aid in the recovery of the listed species, and any

ancillary benefits triggered by existing local, State, or Federal laws as a result of the critical habitat designation. When considering the benefits of exclusion, we consider, among other things, whether exclusion of a specific area is likely to incentivize or result in conservation; the continuation, strengthening, or encouragement of partnerships; or implementation of a management plan.

In the case of the Dakota skipper and Poweshiek skipperling, the benefits of critical habitat include public awareness of the presence of species and the importance of habitat protection, and, where a Federal nexus exists, increased habitat protection for the Dakota skipper and Poweshiek skipperling due to protection from adverse modification or destruction of critical habitat (particularly in unoccupied critical habitat). In practice, situations with a Federal nexus exist primarily on Federal lands or for projects undertaken by Federal agencies (for example, in working with private and Tribal landowners). Most Federal conservation agencies work with private and Tribal landowners on a voluntary basis, and, therefore, actions that make otherwise willing landowners less likely to engage in Federal conservation programs can affect butterfly conservation. During the initial comment period, we heard from some landowners who indicated that critical habitat designation would make them less likely to participate in conservation programs offered by the Service or other conservation agencies and less likely to allow monitoring or recovery actions for these species on their lands.

The final decision on whether to exclude any areas will be based on the best scientific data available at the time of the final designation, including information

obtained during the comment periods and information about the probable economic impact of designation. Accordingly, we have prepared a draft economic analysis (DEA) concerning the proposed critical habitat designation; the DEA is available for review and comment (see **ADDRESSES**).

### **Consideration of Economic Impacts**

Section 4(b)(2) of the Act and its implementing regulations require that we consider the economic impact that may result from a designation of critical habitat. To assess the probable economic impacts of a designation, we must first evaluate specific land uses or activities and projects that may occur in the area of the critical habitat. We then must evaluate the impacts that a specific critical habitat designation may have on restricting or modifying specific land uses or activities for the benefit of the species and its habitat within the areas proposed. We then identify which conservation efforts may be the result of the species being listed under the Act versus those attributed solely to the designation of critical habitat for these particular species. The probable economic impact of a proposed critical habitat designation is analyzed by comparing scenarios “with critical habitat” and “without critical habitat.” The “without critical habitat” scenario represents the baseline for the analysis, which includes the existing regulatory and socio-economic burden imposed on landowners, managers, or other resource users potentially affected by the designation of critical habitat (*e.g.*, under the Federal listing as well as other Federal, State, and local regulations). The baseline, therefore, represents the costs

of all efforts attributable to the listing of the species under the Act (conservation of the species and its habitat incurred regardless of whether critical habitat is designated). The “with critical habitat” scenario describes the incremental impacts associated specifically with the designation of critical habitat for the species. The incremental conservation efforts and associated impacts would not be expected without the designation of critical habitat for the species. In other words, the incremental costs are those attributable solely to the designation of critical habitat, above and beyond the baseline costs. These are the costs we use when evaluating the benefits of inclusion and exclusion of particular areas from the final designation of critical habitat should we choose to conduct a discretionary 4(b)(2) exclusion analysis.

For these particular designations, we developed an incremental effects memorandum (IEM) considering the probable incremental economic impacts that may result from these proposed designations of critical habitat. The information contained in our IEM was then used to develop a screening analysis of the probable economic effects of the designation of critical habitat for the Dakota skipper and Poweshiek skipperling (Industrial Economics, Inc. 2014). We began by conducting a screening analysis of the proposed designation of critical habitat in order to focus our analysis on the key factors that are likely to result in incremental economic impacts. The purpose of the screening analysis is to filter out the geographic areas in which the critical habitat designation is unlikely to result in probable incremental economic impacts. In particular, the screening analysis considers baseline costs (absent critical habitat designation) and includes

probable economic impacts where land and water use may be subject to conservation plans, land management plans, best management practices, or regulations that protect the habitat area as a result of the Federal listing status of the species. The screening analysis filters out particular areas of critical habitat that are already subject to such protections and are, therefore, unlikely to incur incremental economic impacts. Ultimately, the screening analysis allows us to focus our analysis on evaluating the specific areas or sectors that may incur probable incremental economic impacts as a result of the designation. The screening analysis also assesses whether units are unoccupied by the species and may require additional management or conservation efforts as a result of the critical habitat designation and may incur incremental economic impacts. This screening analysis, combined with the information contained in our IEM, is what we consider our draft economic analysis of the proposed critical habitat designations for the Dakota skipper and Poweshiek skipperling and is summarized in the narrative below.

Executive Orders (E.O.) 12866 and 13563 direct Federal agencies to assess the costs and benefits of available regulatory alternatives in quantitative (to the extent feasible) and qualitative terms. Consistent with the E.O. regulatory analysis requirements, our effects analysis under the Act may take into consideration impacts to both directly and indirectly impacted entities, where practicable and reasonable. We assess to the extent practicable, the probable impacts, if sufficient data are available, to both directly and indirectly impacted entities. As part of our screening analysis, we considered the types of economic activities that are likely to occur within the areas likely

affected by the critical habitat designation. In our evaluation of the probable incremental economic impacts that may result from the proposed designation of critical habitat for the Dakota skipper and Poweshiek skipperling, first we identified, in the IEM dated March 25, 2014, probable incremental economic impacts associated with the following categories of activities: (1) Grazing and agricultural activity on private lands managed under agreements with the Service or the Natural Resources Conservation Service (NRCS); (2) land management activities on public lands and privately managed conservation lands; (3) oil and gas development; (4) transportation activities; and (5) other development on private lands (e.g., residential and commercial development, gravel mining, wind energy).

We considered each industry or category individually. Additionally, we considered whether their activities have any Federal involvement. Critical habitat designation will not affect activities that do not have any Federal involvement; designation of critical habitat only affects activities conducted, funded, permitted, or authorized by Federal agencies. In areas where the Dakota skipper or Poweshiek skipperling is present, Federal agencies would be required to consult with the Service under section 7 of the Act on activities they fund, permit, or implement that may affect the species. If we finalize these proposed critical habitat designations, consultations to avoid the destruction or adverse modification of critical habitat would be incorporated into the consultation process. Therefore, disproportionate impacts to any geographic area or sector are not likely as a result of these critical habitat designations.



In our IEM, we attempted to clarify the distinction between the effects that will result from the species being listed and those attributable to the critical habitat designation (i.e., difference between the jeopardy and adverse modification standards) for the Dakota skipper and Poweshiek skipperling. Because the designations of critical habitat for the Dakota skipper and Poweshiek skipperling were proposed concurrently with the listings, it has been our experience that it is more difficult to discern which conservation efforts are attributable to the species being listed and those which will result solely from the designation of critical habitat. However, the following specific circumstances in this case help to inform our evaluation: (1) The essential physical or biological features identified for critical habitat are the same features essential for the life requisites of the species; and (2) any actions that would result in sufficient harm or harassment to constitute jeopardy to the Dakota skipper or Poweshiek skipperling would also likely adversely affect the essential physical or biological features of critical habitat. The IEM outlines our rationale concerning this limited distinction between baseline conservation efforts and incremental impacts of the designation of critical habitat for these species. This evaluation of the incremental effects has been used as the basis to evaluate the probable incremental economic impacts of these proposed designations of critical habitat.

Incorporating our proposed changes to units as described above, the proposed critical habitat designation for the Dakota skipper includes 50 units comprising approximately 11,353 ha (28,054 ac) in Chippewa, Clay, Kittson, Lincoln, Murray,

Norman, Pipestone, Polk, Pope, and Swift Counties in Minnesota; McHenry, McKenzie, Ransom, Richland, Rolette, and Wells Counties in North Dakota; and, Brookings, Day, Deuel, Grant, Marshall, and Roberts Counties in South Dakota. Approximately 50 percent of the proposed critical habitat for the Dakota skipper is currently occupied. There are several units where we are uncertain of the current occupancy; these units are considered as unoccupied habitat for purposes of critical habitat designation.

Incorporating our proposed changes to units as described above, the proposed critical habitat designation for the Poweshiek skipperling includes 62 units as critical habitat for Poweshiek skipperling comprising approximately 12,253 ha (30,279 ac) in Cerro Gordo, Dickinson, Emmet, Howard, Kossuth, and Osceola Counties in Iowa; in Hillsdale, Jackson, Lenawee, Livingston, Oakland, and Washtenaw Counties in Michigan; in Chippewa, Clay, Cottonwood, Douglas, Kittson, La Qui Parle, Lincoln, Lyon, Mahnomen, Murray, Norman, Pipestone, Polk, Pope, Swift, and Wilkin Counties in Minnesota; in Richland County in North Dakota; in Brookings, Day, Deuel, Grant, Marshall, Moody, and Roberts Counties in South Dakota; and in Green Lake and Waukesha Counties in Wisconsin. Approximately 15 percent of the proposed critical habitat for the Poweshiek skipperling is currently occupied. There are several units where we are uncertain of the current occupancy; these units are considered as unoccupied habitat for purposes of critical habitat designation.

Incorporating our proposed changes to units as described above, approximately 6,367 of the hectares (15,732 ac) proposed as critical habitat for the two species overlap;

thus, the total acreage proposed as critical habitat is 17,240 ha (42,600 acres). The proposed critical habitat includes lands under the following ownership: Federal (13 percent), State/county (40 percent), Tribal (5 percent), and private (including private conservation lands) (42 percent). A mixture of conservation, recreational, and agricultural land uses occur within the areas proposed as critical habitat for both species; these include lands owned and managed for conservation and recreation by private conservation organizations and State recreation and conservation agencies, respectively; livestock grazing and haying; and other activities, including the application of prescribed fire.

The screening analysis reviews potential section 7 and other costs resulting from the proposed critical habitat designation for the two butterflies. The section 7 costs of the proposed rule are likely to differ depending on the type of habitat in which a project occurs, as follows:

- **Occupied Habitat:** In occupied areas, activities with a Federal nexus would be subject to section 7 consultation requirements regardless of critical habitat designation, due to the presence of the listed species. In addition, the Service anticipates that in most cases project modifications recommended to avoid adverse modification or minimize effects to critical habitat would largely be the same as those needed to avoid jeopardy or minimize take. In rare instances, the Service believes that it may be able to differentiate between conservation measures implemented to minimize impacts to avoid jeopardy and measures

implemented to minimize impacts to avoid adverse modification. However, the Service cannot predict when or where these instances may occur. Thus, we do not forecast any incremental impacts resulting from project modifications in occupied areas. When section 7 consultations occur, incremental costs are likely to be limited to the additional administrative effort to consider adverse modification during the consultation process.

- **Unoccupied Habitat:** In unoccupied areas, activities with a Federal nexus may not be subject to section 7 consultation requirements absent the designation of critical habitat because the species is not present. Therefore, incremental costs in these areas would include both the entire administrative costs of consultation as well as the costs of developing and implementing conservation measures needed to avoid adverse modification of critical habitat.
- **Uncertain Habitat:** Uncertain areas were treated as occupied for purposes of the screening analysis. Given that surveys for the species have previously been undertaken in these areas, and the species was present in these units the past, landowners are likely to be aware that the species may be present. Further, where there is a nexus for activities occurring on uncertain critical habitat, Federal agencies overseeing the activity would likely already have been aware of the need to consult with the Service. Because of the short duration (less than 3 weeks) of their adult flight period, it may be difficult to detect the two butterflies during

surveys. In part for that reason, the Service expects in most situations to treat these areas as occupied for purposes of section 7 consultation. For purposes of section 7 consultation, we may consider the species to be present in those areas with uncertain occupancy. In those areas where we are uncertain of the presence of the species, the Service may consult on activities regardless of the critical habitat designation because there is still a sufficient likelihood of the species' presence. Therefore, when section 7 consultations occur, incremental costs within uncertain units are, in most situations, likely to be limited to the additional administrative effort to consider adverse modification during the consultation process.

Because we anticipate that incremental administrative costs in occupied and uncertain habitat areas will be minor (in most situations), our analysis is focused on areas where incremental project modifications could occur.

To determine section 7 costs, the analysis focuses on the impacts of future consultations likely to occur for activities undertaken by or permitted by Federal agencies within unoccupied areas of proposed critical habitat. In areas the Service is certain are unoccupied (8 percent of the proposed designation), incremental section 7 costs may include both the administrative costs of consultation and the costs of developing and implementing conservation measures. Specifically, the analysis forecasts costs associated with conservation efforts that may be recommended in consultation for

activities covered by voluntary conservation agreements with the U.S. Department of Agriculture's Natural Resources Conservation Service (NRCS). The total quantifiable incremental section 7 costs associated with these NRCS agreements are estimated to be \$440,000 in 2014. While future wind projects in unoccupied critical habitat may incur incremental project modification costs, the likelihood and timing of such projects are highly uncertain.

In addition, the screening analysis considered the magnitude of potential administrative costs that could result from the consideration of adverse modification in consultations occurring within habitat considered occupied for purposes of section 7. The majority of acres proposed for designation (92 percent) are considered to be occupied, or occupancy is uncertain but the butterflies have been identified at the site in the past. The rough assessment of incremental administrative costs for occupied areas indicates that aggregate incremental costs would be significantly less than \$100 million in any given year.

In terms of other costs, the analysis concludes that the designation of critical habitat is unlikely to trigger additional requirements under State or local regulations. Finally, costs resulting from public perception of the effect of critical habitat, based on the value of privately owned, non-conservation land in the vicinity of the proposed designations, combined with the other incremental impacts estimated in this analysis, are unlikely to reach \$100 million in any given year.

Various economic benefits may result from incremental conservation efforts, including: (1) Those associated with the primary goal of species conservation (direct benefits), and (2) those additional beneficial services that derive from conservation efforts but are not the purpose of the Act (ancillary benefits). Due to existing data limitations, the analysis is unable to assess the likely magnitude of these benefits.

As we stated earlier, we are soliciting data and comments from the public on the DEA, as well as all aspects of the proposed critical habitat rules and our amended required determinations. We may revise the proposed critical habitat rules or supporting documents to incorporate or address information we receive during the public comment period. In particular, we may exclude an area from critical habitat if we determine that the benefits of excluding the area outweigh the benefits of including the area, provided the exclusion will not result in the extinction of either of these species.

### **Required Determinations—Amended**

In our October 24, 2013, proposed rule (78 FR 63625), we indicated that we would defer our determination of compliance with several statutes and executive orders until we had evaluated the probable effects on landowners and stakeholders and the resulting probable economic impacts of the designation. Following our evaluation of the probable incremental economic impacts resulting from the designations of critical habitat for the Dakota skipper and Poweshiek skipperling, we have amended or affirmed our determinations below. Specifically, we affirm the information in our proposed rule

concerning Executive Orders (E.O.s) 12866 and 13563 (Regulatory Planning and Review), E.O. 13132 (Federalism), E.O. 12988 (Civil Justice Reform), the Unfunded Mandates Reform Act (2 U.S.C. 1501 *et seq.*), the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), the National Environmental Policy Act (42 U.S.C. 4321 *et seq.*), and the President's memorandum of April 29, 1994, "Government-to-Government Relations with Native American Tribal Governments" (59 FR 22951). However, based on our evaluation of the probable incremental economic impacts of the proposed designations of critical habitat for the Dakota skipper and Poweshiek skipperling, we are amending our required determinations concerning the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*), E.O. 13211 (Energy Supply, Distribution, or Use), and E.O. 12630 (Takings).

*Regulatory Flexibility Act (5 U.S.C. 601 et seq.)*

Under the Regulatory Flexibility Act (RFA; 5 U.S.C. 601 *et seq.*), as amended by the Small Business Regulatory Enforcement Fairness Act of 1996 (SBREFA; 5 U.S.C. 801 *et seq.*), whenever an agency is required to publish a notice of rulemaking for any proposed or final rule, it must prepare and make available for public comment a regulatory flexibility analysis that describes the effects of the rule on small entities (i.e., small businesses, small organizations, and small government jurisdictions). However, no regulatory flexibility analysis is required if the head of the agency certifies the rule will not have a significant economic impact on a substantial number of small entities. The



SBREFA amended the RFA to require Federal agencies to provide a certification statement of the factual basis for certifying that the rule will not have a significant economic impact on a substantial number of small entities.

According to the Small Business Administration, small entities include small organizations such as independent nonprofit organizations; small governmental jurisdictions, including school boards and city and town governments that serve fewer than 50,000 residents; and small businesses (13 CFR 121.201). Small businesses include manufacturing and mining concerns with fewer than 500 employees, wholesale trade entities with fewer than 100 employees, retail and service businesses with less than \$5 million in annual sales, general and heavy construction businesses with less than \$27.5 million in annual business, special trade contractors doing less than \$11.5 million in annual business, and agricultural businesses with annual sales less than \$750,000. To determine if potential economic impacts to these small entities are significant, we considered the types of activities that might trigger regulatory impacts under these designations as well as types of project modifications that may result. In general, the term “significant economic impact” is meant to apply to a typical small business firm’s business operations.

The Service’s current understanding of the requirements under the RFA, as amended, and following recent court decisions, is that Federal agencies are only required to evaluate the potential incremental impacts of rulemaking on those entities directly regulated by the rulemaking itself, and, therefore, are not required to evaluate the

potential impacts to indirectly regulated entities. The regulatory mechanism through which critical habitat protections are realized is section 7 of the Act, which requires Federal agencies, in consultation with the Service, to ensure that any action authorized, funded, or carried by the agency is not likely to adversely modify critical habitat. Therefore, under these circumstances only Federal action agencies are directly subject to the specific regulatory requirement (avoiding destruction and adverse modification) imposed by critical habitat designation. Under these circumstances, it is our position that only Federal action agencies will be directly regulated by these designations. Federal agencies are not small entities, and to this end, there is no requirement under RFA to evaluate the potential impacts to entities not directly regulated. Therefore, because no small entities are directly regulated by this rulemaking, the Service certifies that, if promulgated, the proposed critical habitat designations will not have a significant economic impact on a substantial number of small entities.

In summary, we have considered whether the proposed designations would result in a significant economic impact on a substantial number of small entities. For the above reasons and based on currently available information, we certify that, if promulgated, the proposed critical habitat designations will not have a significant economic impact on a substantial number of small business entities. Therefore, an initial regulatory flexibility analysis is not required.

Executive Order 13211 (Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use) requires agencies to prepare Statements of Energy Effects when undertaking certain actions. Because wind energy development is actively occurring in the States with proposed critical habitat, we investigated whether there are any planned projects in the proposed critical habitat in the draft economic analysis. Two wind projects are currently planned or ongoing within or near two occupied proposed critical habitat units in South Dakota: DS South Dakota Unit 17 and DS South Dakota Unit 19. While these projects trigger section 7 consultation, incremental impacts are likely to be limited to administrative effort, because the potentially affected critical habitat units are occupied. We are not aware of any planned or ongoing projects within proposed unoccupied critical habitat, however, existing wind farms are located near several unoccupied units in Iowa, including PS IA Units 2, 3, 4, 6, 7, and 9. Much of the unoccupied habitat in Iowa is owned and managed by entities that are unlikely to pursue wind energy development. Should a project be proposed on or near the unoccupied proposed critical habitat where such development is possible, incremental impacts could occur, however, the timing and magnitude of such impacts are highly uncertain. Although we are unable to predict the likelihood that wind power projects will be proposed in unoccupied critical habitat, the small number of acres potentially affected, combined with relatively modest potential project modification costs, we do not expect the designation of this proposed critical habitat to significantly

affect energy supplies, distribution, or use. Therefore, this action is not a significant energy action, and no Statement of Energy Effects is required.

*E.O. 12630 (Takings)*

In accordance with E.O. 12630 (Government Actions and Interference with Constitutionally Protected Private Property Rights), we have analyzed the potential takings implications of designating critical habitat for the Dakota skipper and Poweshiek skipperling in a takings implications assessment. As discussed above, the designation of critical habitat affects only Federal actions. Although private parties that receive Federal funding, assistance, or require approval or authorization from a Federal agency for an action may be indirectly impacted by the designation of critical habitat, the legally binding duty to avoid destruction or adverse modification of critical habitat rests squarely on the Federal agency. The economic analysis found that no significant economic impacts are likely to result from the designation of critical habitat for the Dakota skipper and Poweshiek skipperling. Because the Act's critical habitat protection requirements apply only to Federal agency actions, few conflicts between critical habitat and private property rights should result from these designations. Based on information contained in the economic analysis assessment and described within this document, it is not likely that economic impacts to a property owner would be of a sufficient magnitude to support a takings action. Therefore, the takings implications assessment concludes that these

critical habitat designations for the Dakota skipper and Poweshiek skipperling do not pose significant takings implications for lands within or affected by the designation.

## **Authors**

The primary authors of this document are the staff members of the Twin Cities Ecological Services Field Office, Region 3, U.S. Fish and Wildlife Service.

## **List of Subjects in 50 CFR Part 17**

Endangered and threatened species, Exports, Imports, Reporting and recordkeeping requirements, Transportation.

## **Proposed Regulation Promulgation**

Accordingly, we propose to further amend part 17, subchapter B of chapter I, title 50 of the Code of Federal Regulations, as proposed to be amended on October 24, 2013 (78 FR 63625) as set forth below:

## **PART 17—ENDANGERED AND THREATENED WILDLIFE AND PLANTS**

1. The authority citation for part 17 continues to read as follows:

**Authority:** 16 U.S.C. 1361–1407; 1531–1544; and 4201–4245, unless otherwise noted.

2. Amend § 17.95(i) as follows:

a. By revising paragraphs (5), (9), (10), (12), (13), (15), (18), and (41) under the entry “Dakota Skipper (*Hesperia dacotae*)” as proposed to be amended on October 24, 2013 (78 FR 63655); and

b. Under the entry “Poweshiek Skipperling (*Oarisma poweshiek*)” revise paragraphs (7), (8), (28), (29), (31), (32), (33), (34), and (36); redesignate paragraphs (41) through (55) as paragraphs (43) through (57); add new paragraphs (41) and (42); and remove and reserve newly redesignated paragraph (44) as proposed to be amended on October 24, 2013 (78 FR 63693).

The revisions and additions read as follows:

**§ 17.95 Critical habitat—fish and wildlife.**

\* \* \* \* \*

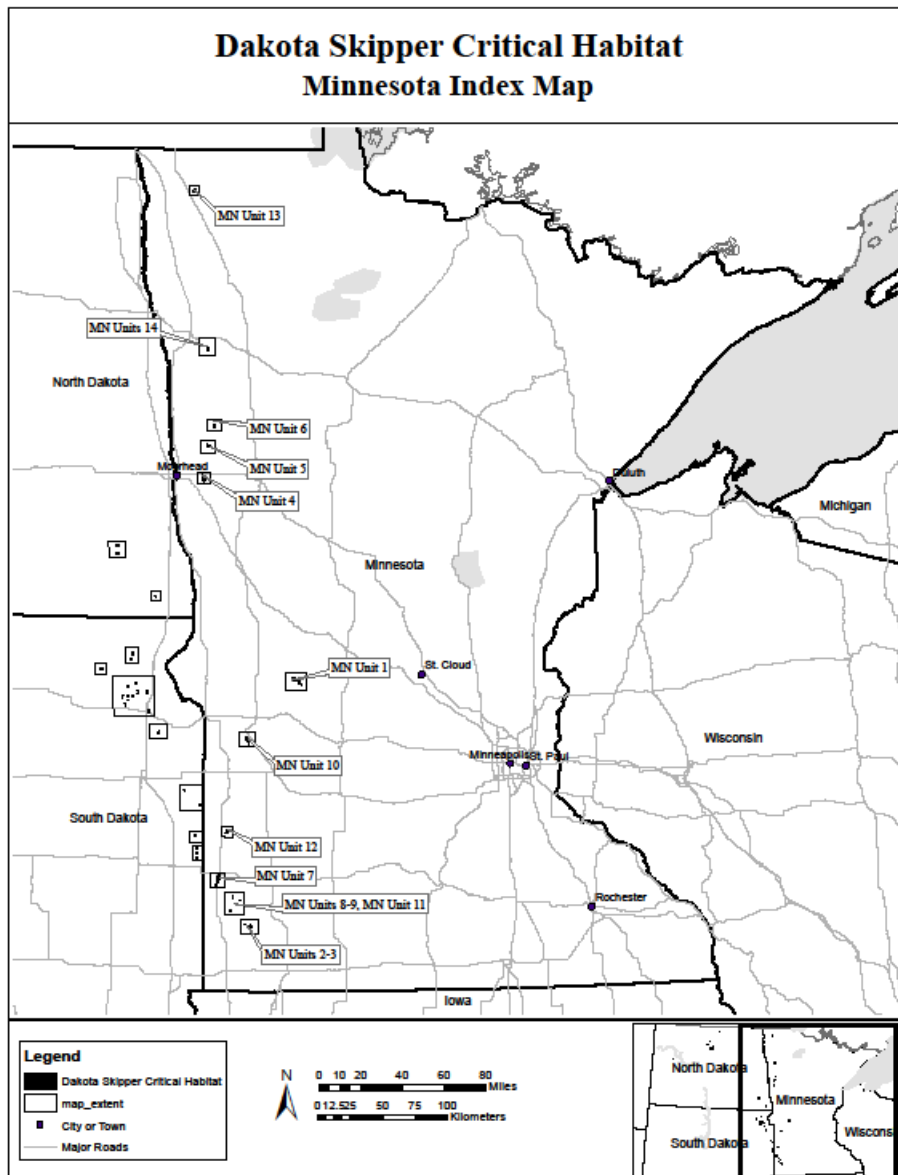
(i) *Insects.*

\* \* \* \* \*

Dakota Skipper (*Hesperia dacotae*)

\* \* \* \* \*

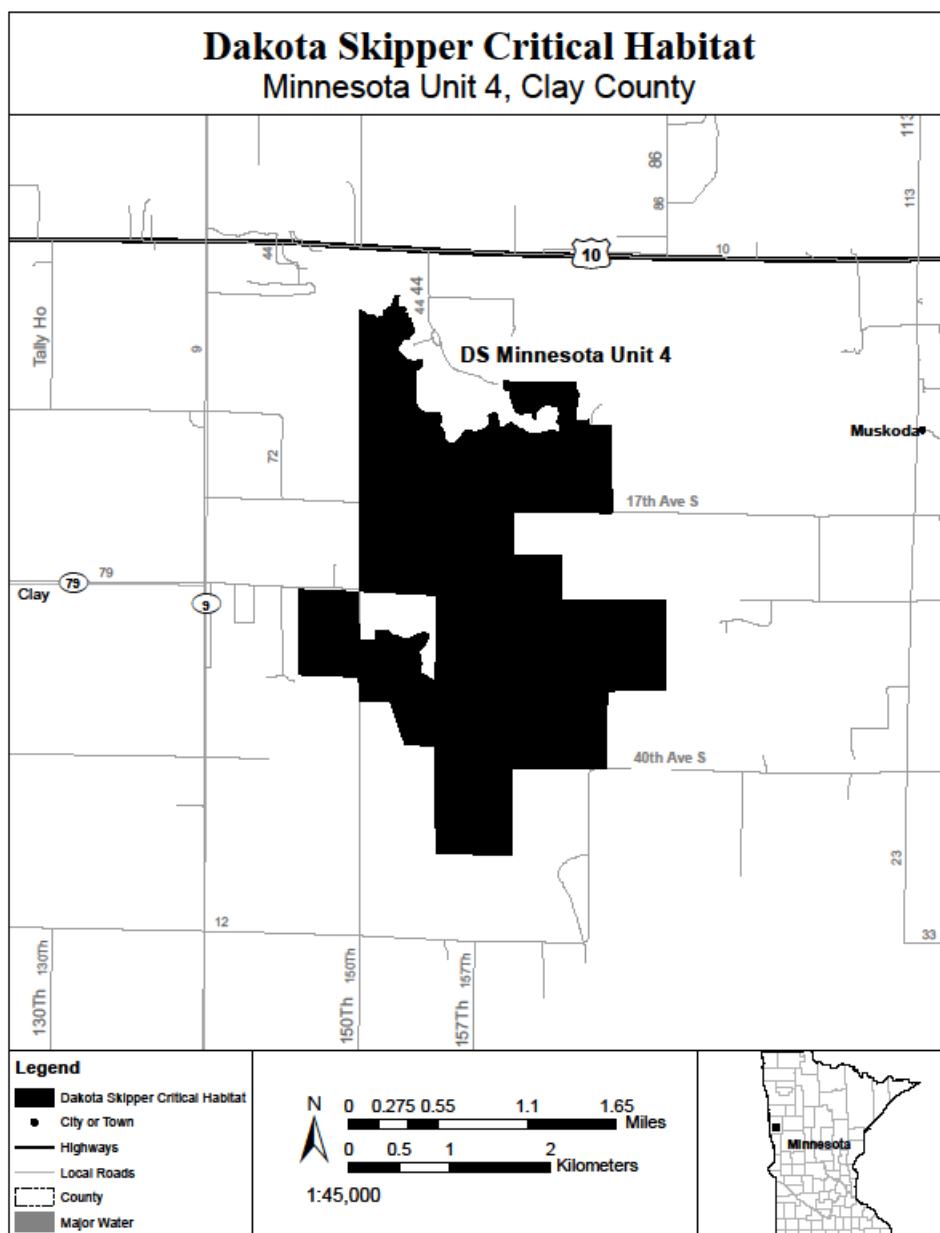
(5) Minnesota index map follows:



\* \* \* \* \*

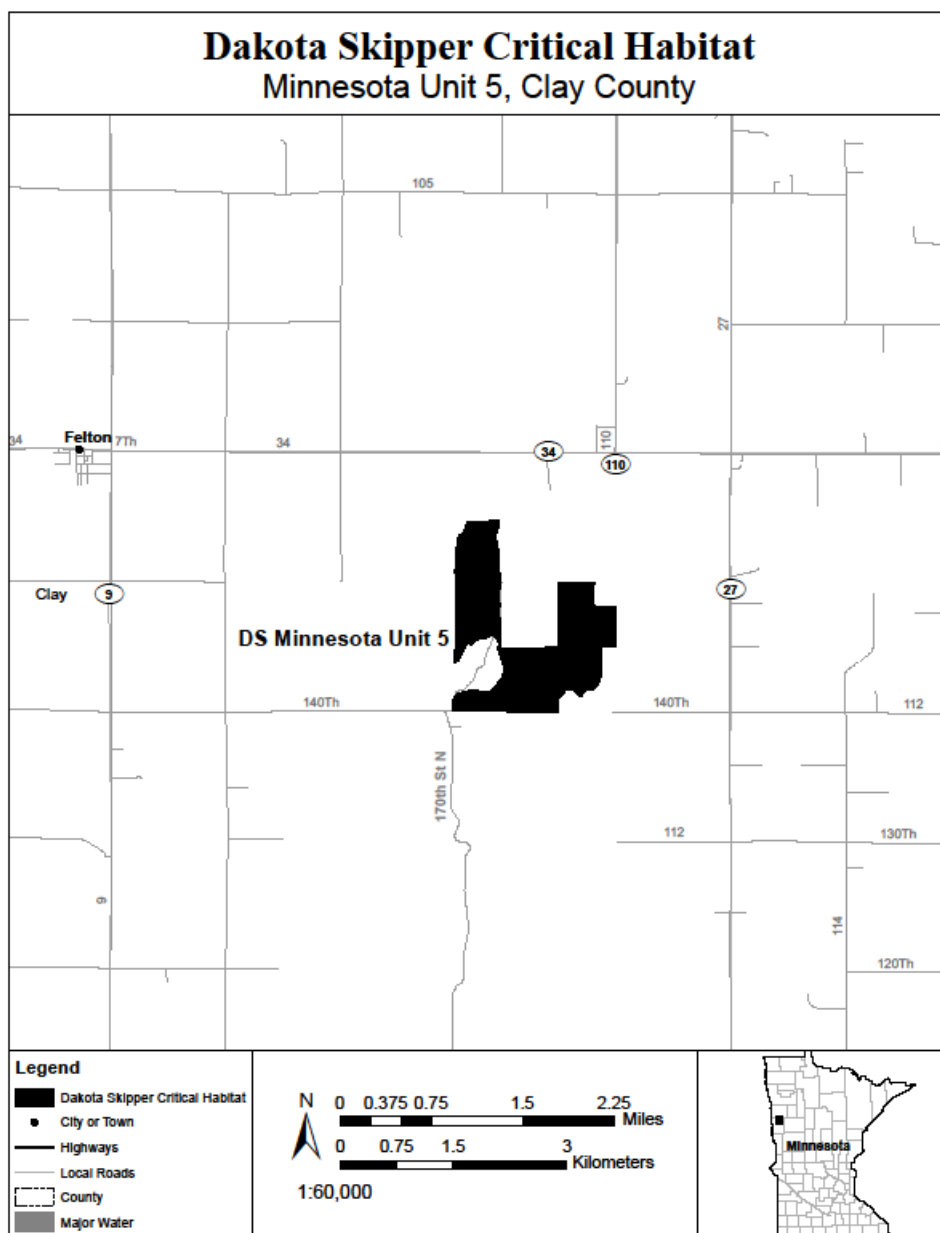
(9) DS Minnesota Unit 4, Clay County, Minnesota. Map of DS Minnesota Unit 4 follows:





(10) DS Minnesota Unit 5, Clay County, Minnesota. Map of DS Minnesota Unit

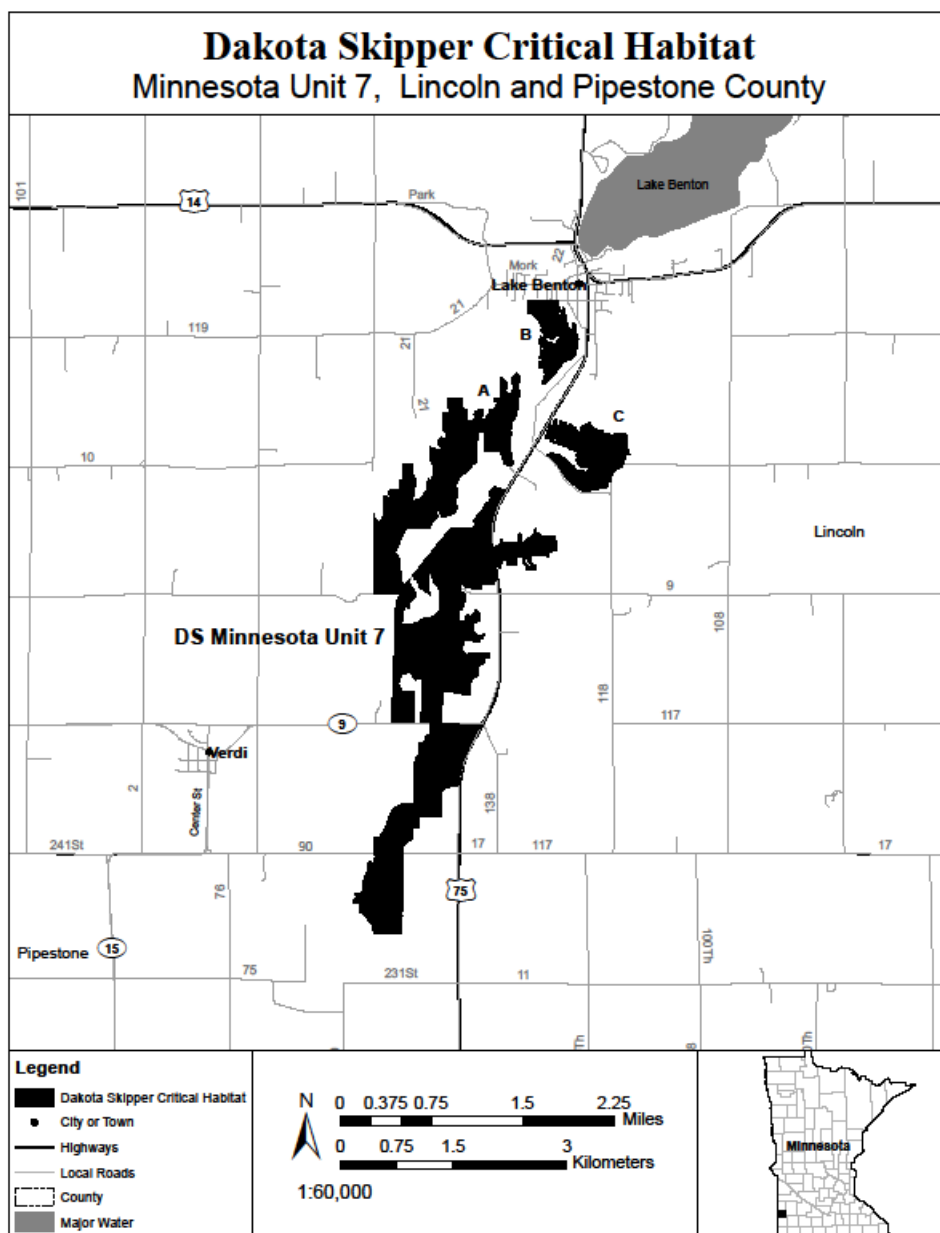
5 follows:



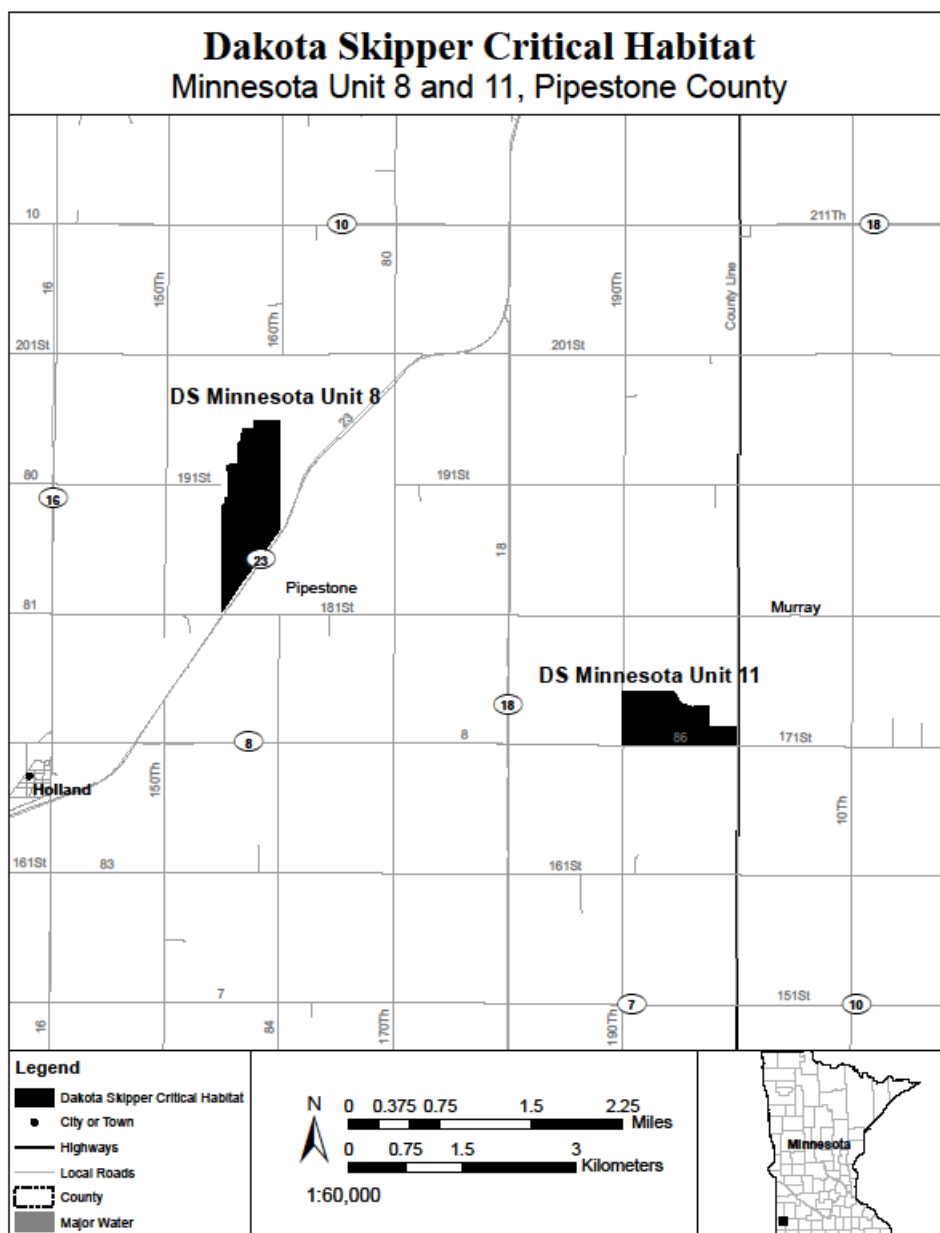
\* \* \* \* \*

(12) DS Minnesota Unit 7, Lincoln County and Pipestone County, Minnesota.

Map of DS Minnesota Unit 7 follows:



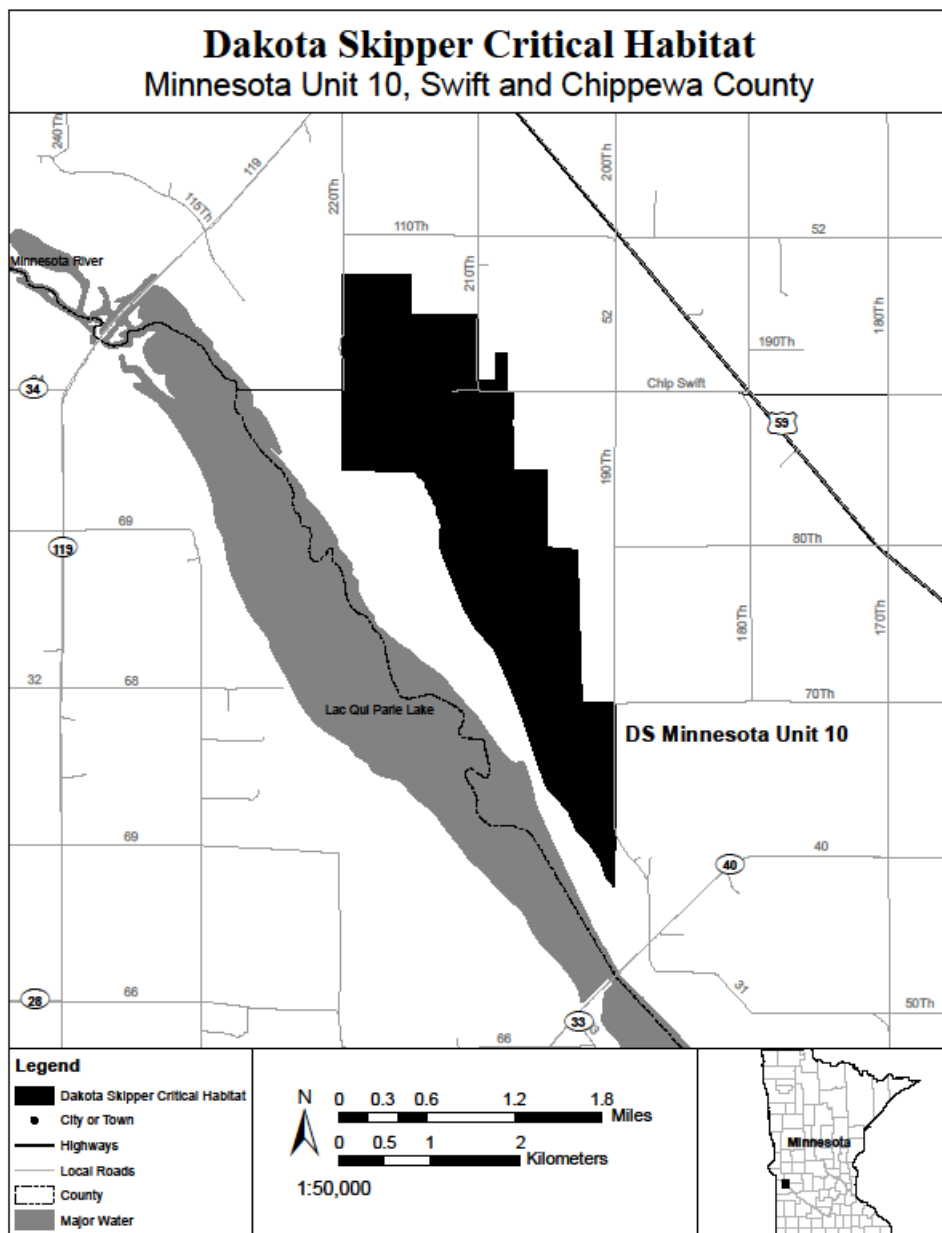
(13) DS Minnesota Units 8 and 11, Pipestone County, Minnesota. Map of DS Minnesota Units 8 and 11 follows:



\* \* \* \* \*

(15) DS Minnesota Unit 10, Chippewa County and Swift County, Minnesota.

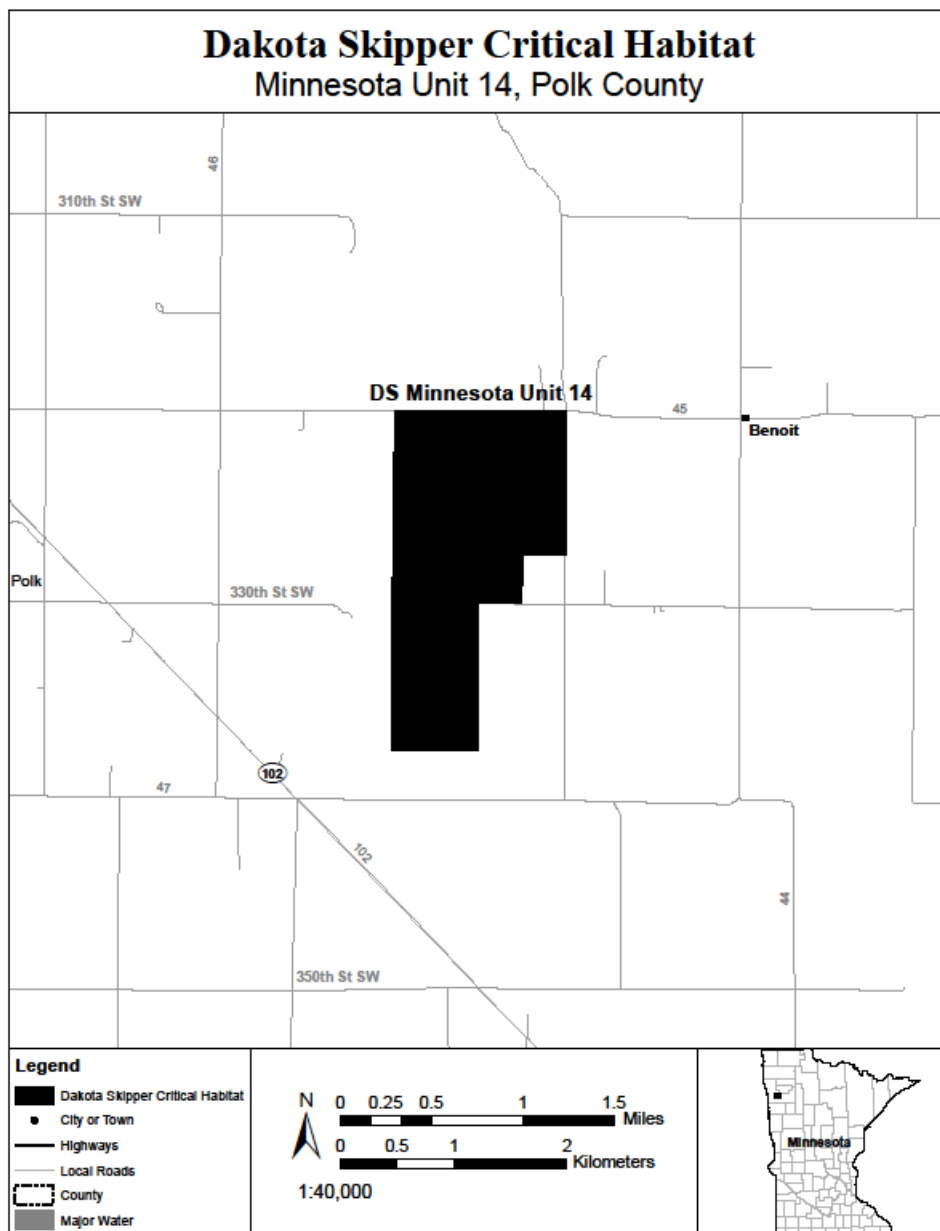
Map of DS Minnesota Unit 10 follows:



\* \* \* \* \*

(18) DS Minnesota Unit 14, Polk County, Minnesota. Map of DS Minnesota

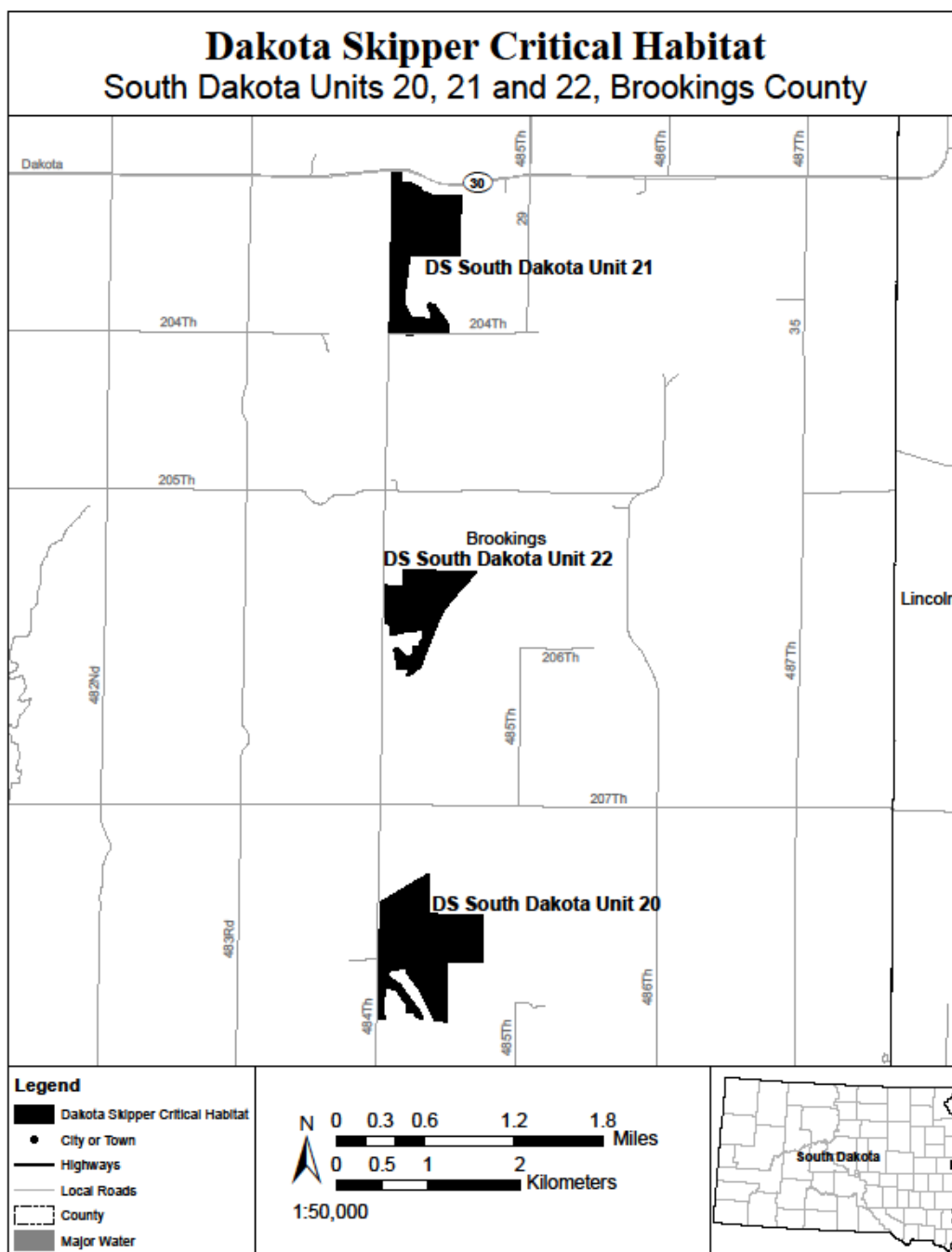
Unit 14 follows:



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(41) DS South Dakota Units 20, 21, and 22, Brookings County, South Dakota.

Map of DS South Dakota Units 20, 21, and 22 follows:

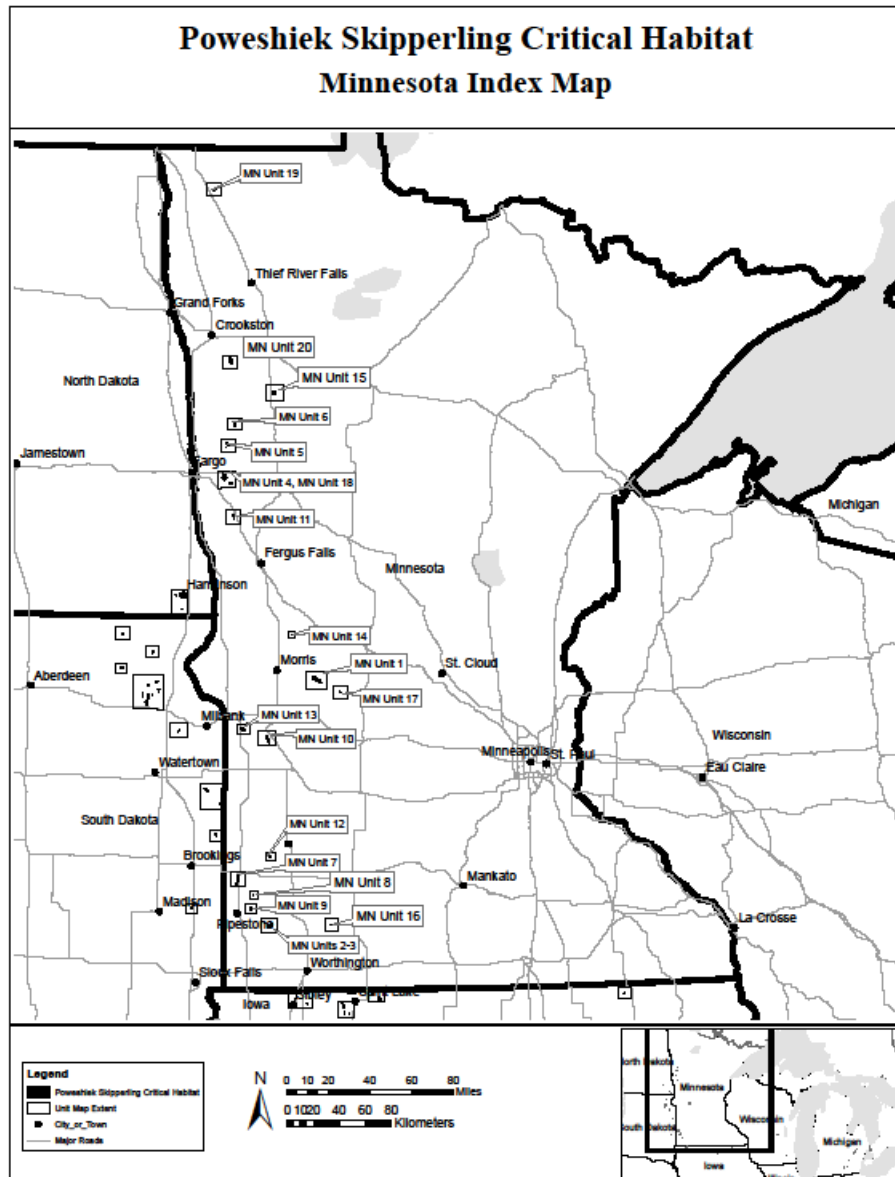


\* \* \* \* \*

Poweshiek Skipperling (*Oarisma poweshiek*)

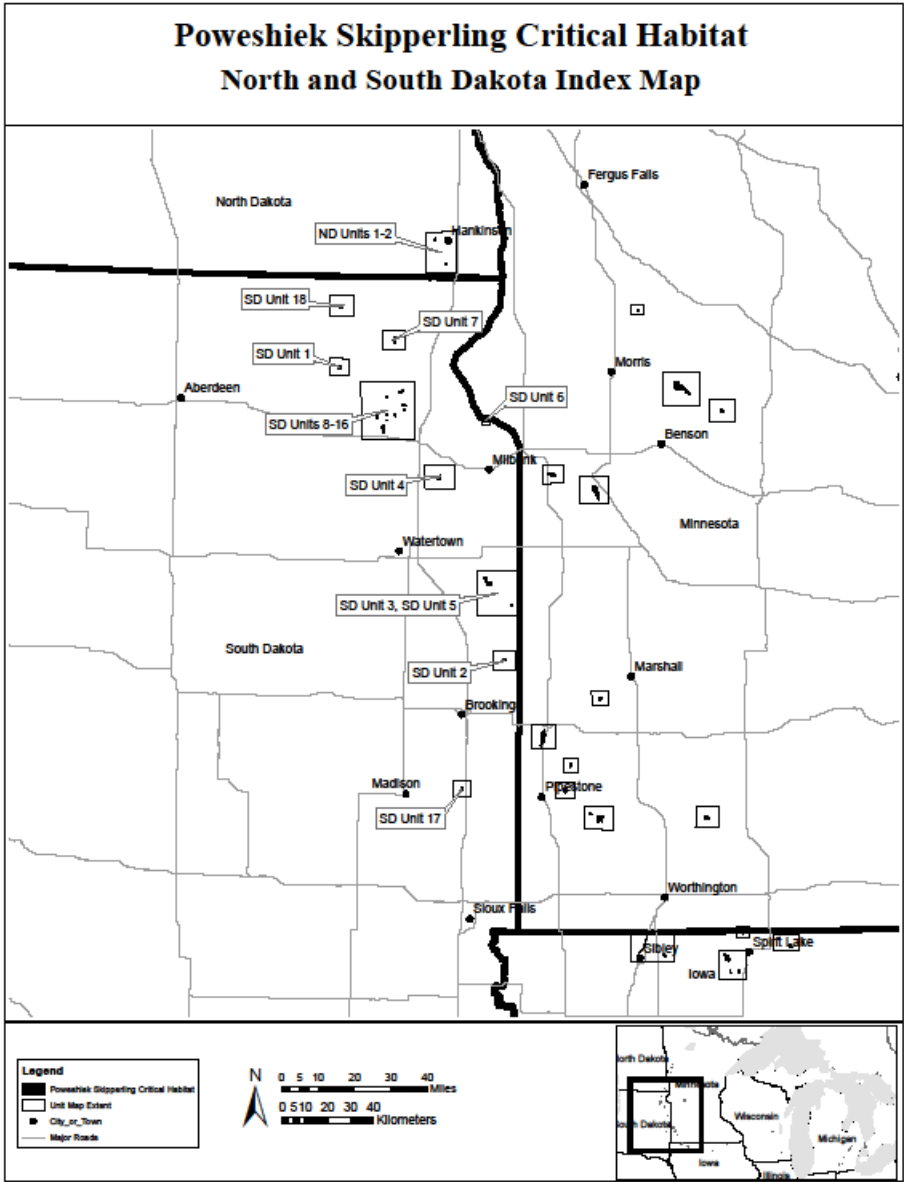
\* \* \* \* \*

(7) Minnesota index map follows:





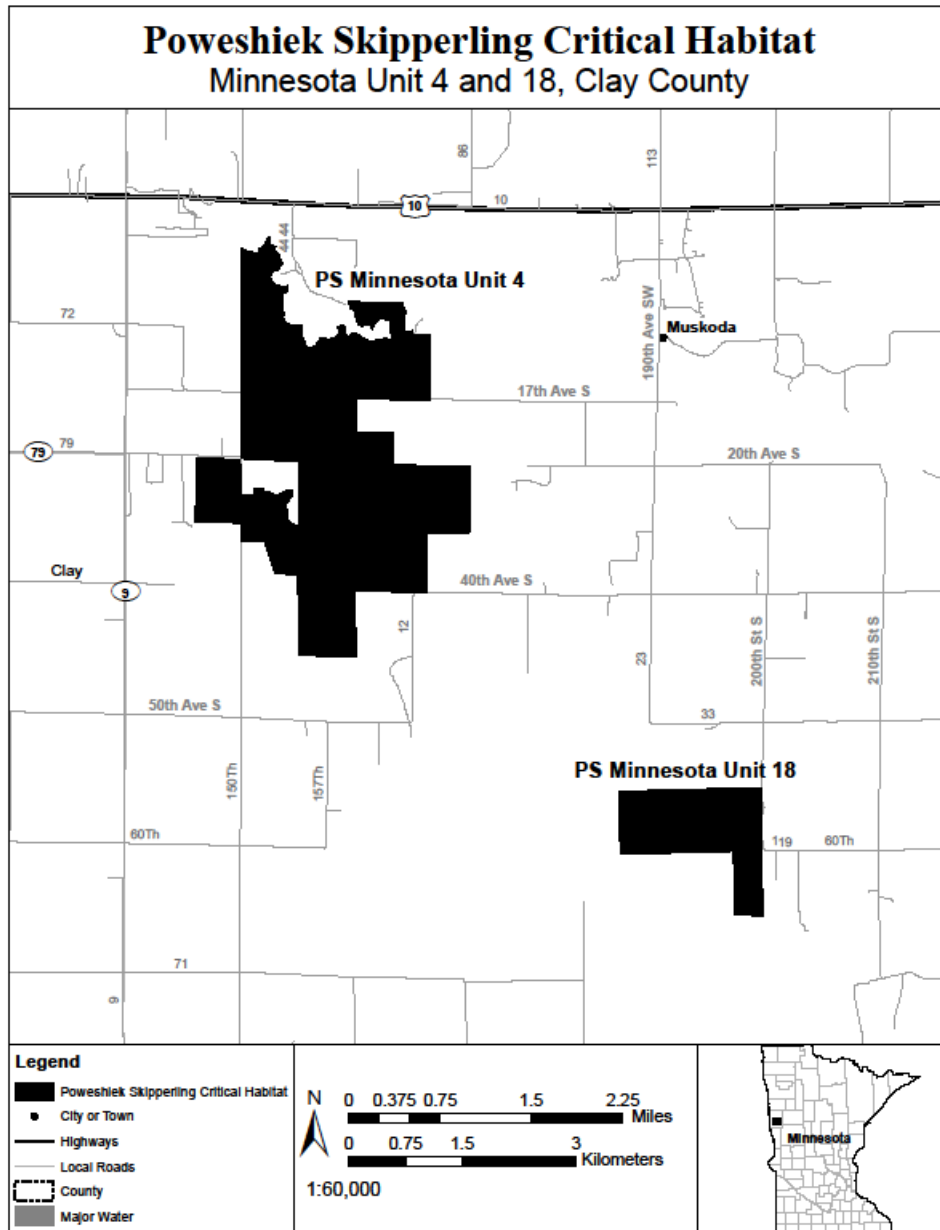
(8) North and South Dakota index map follows:



\* \* \* \* \*

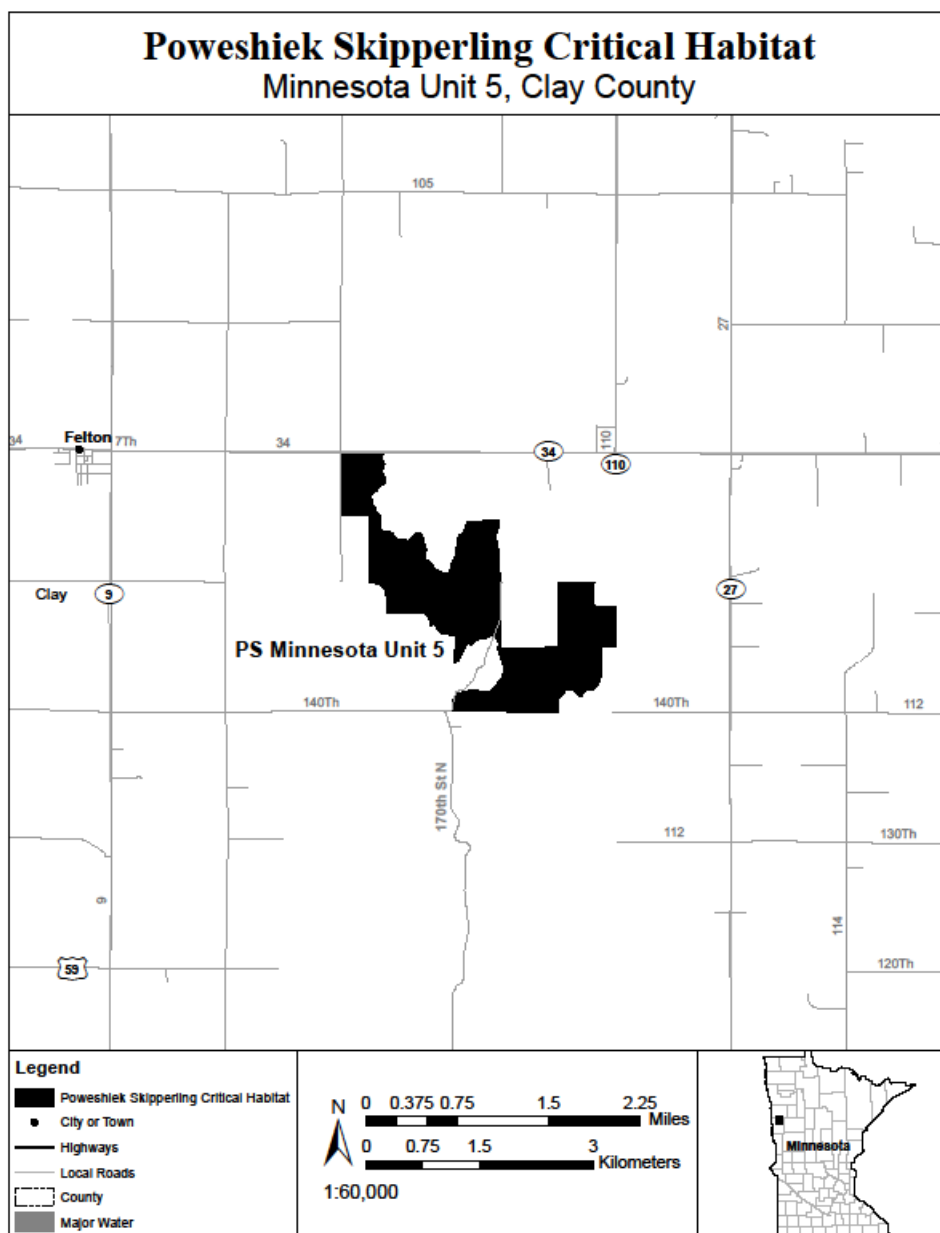
(28) PS Minnesota Units 4 and 18, Clay County, Minnesota. Map of PS

Minnesota Units 4 and 18 follows:



(29) PS Minnesota Unit 5, Clay County, Minnesota. Map of PS Minnesota Unit

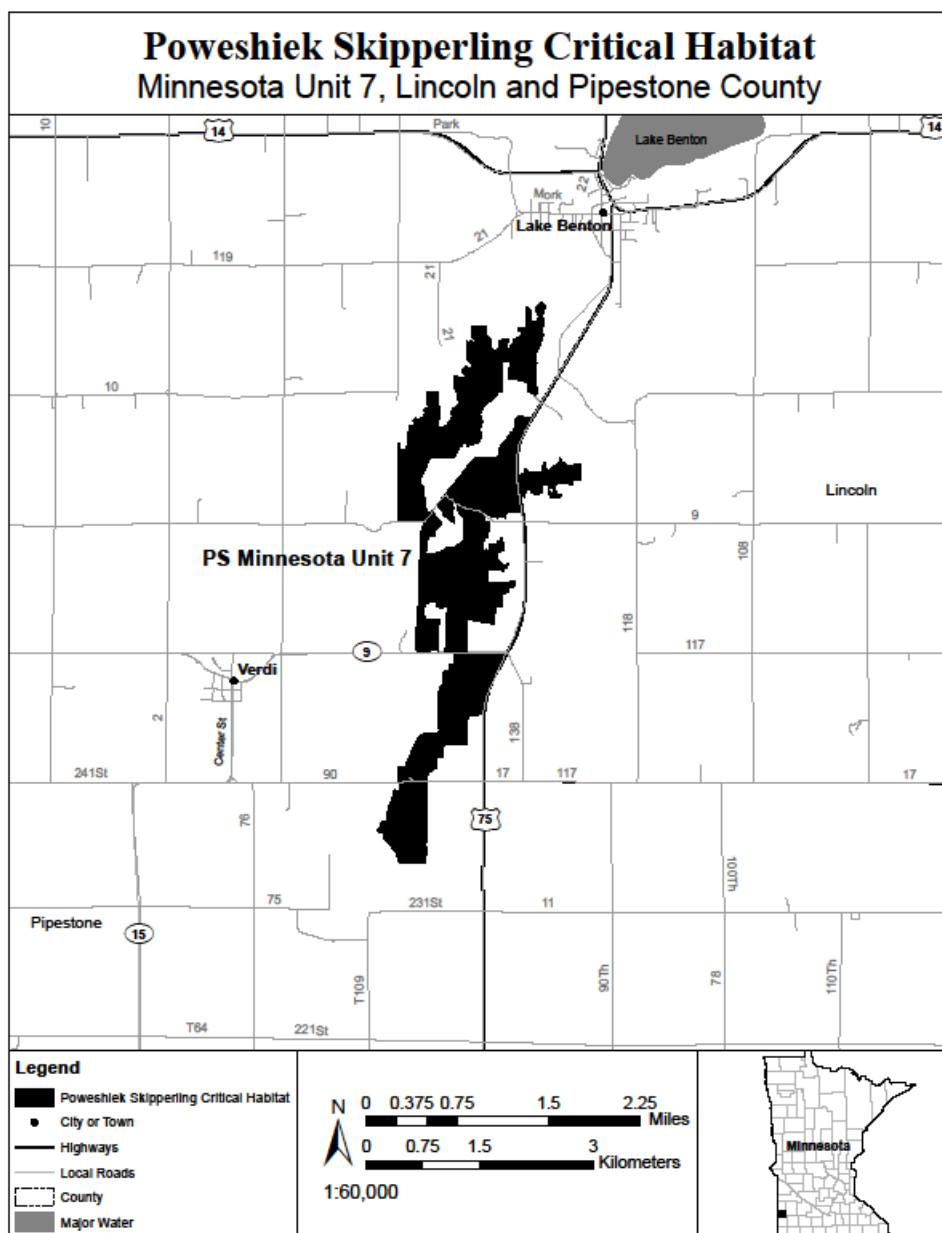
5 follows:



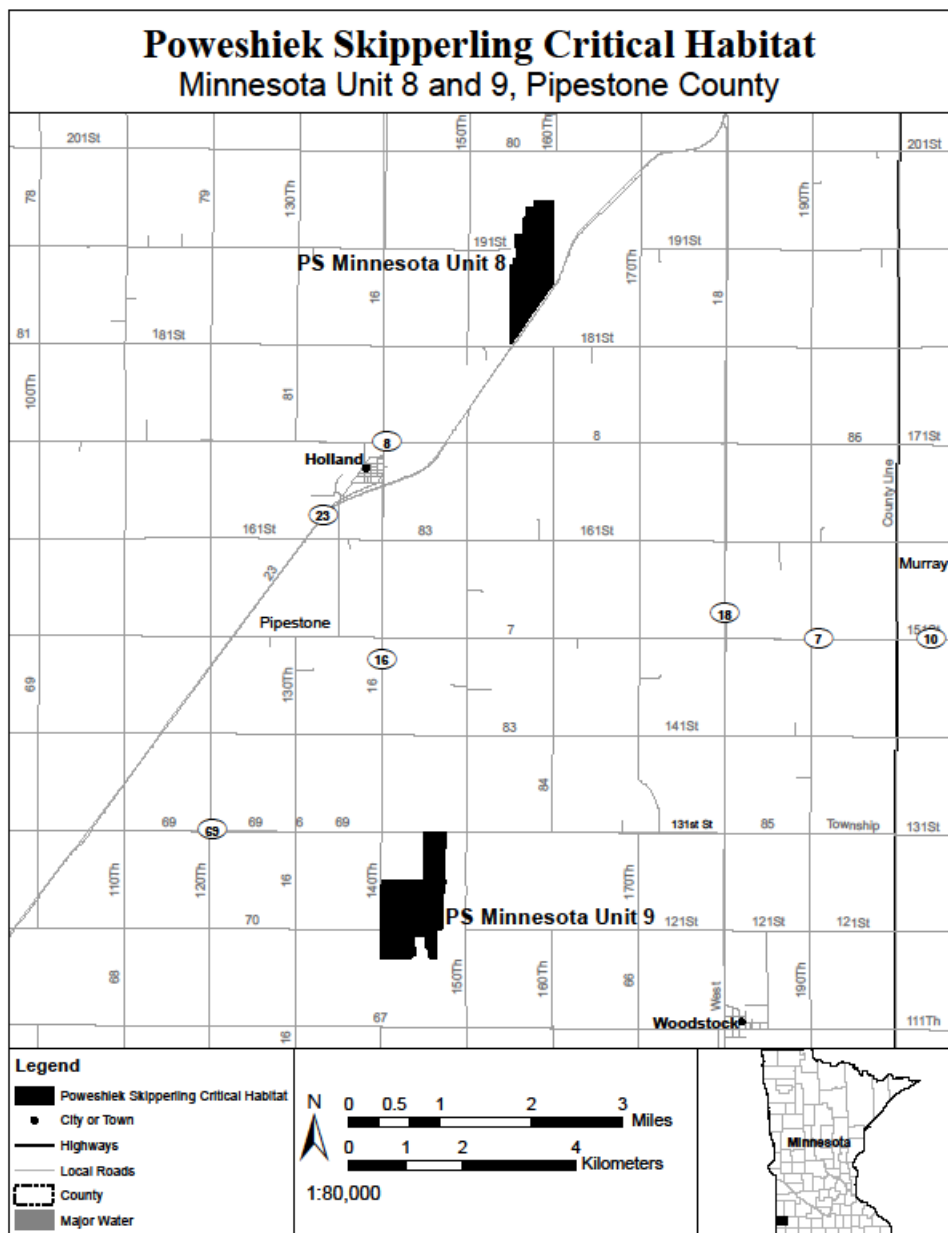
\* \* \* \* \*

(31) PS Minnesota Unit 7, Lincoln County and Pipestone County, Minnesota.

Map of PS Minnesota Unit 7 follows:



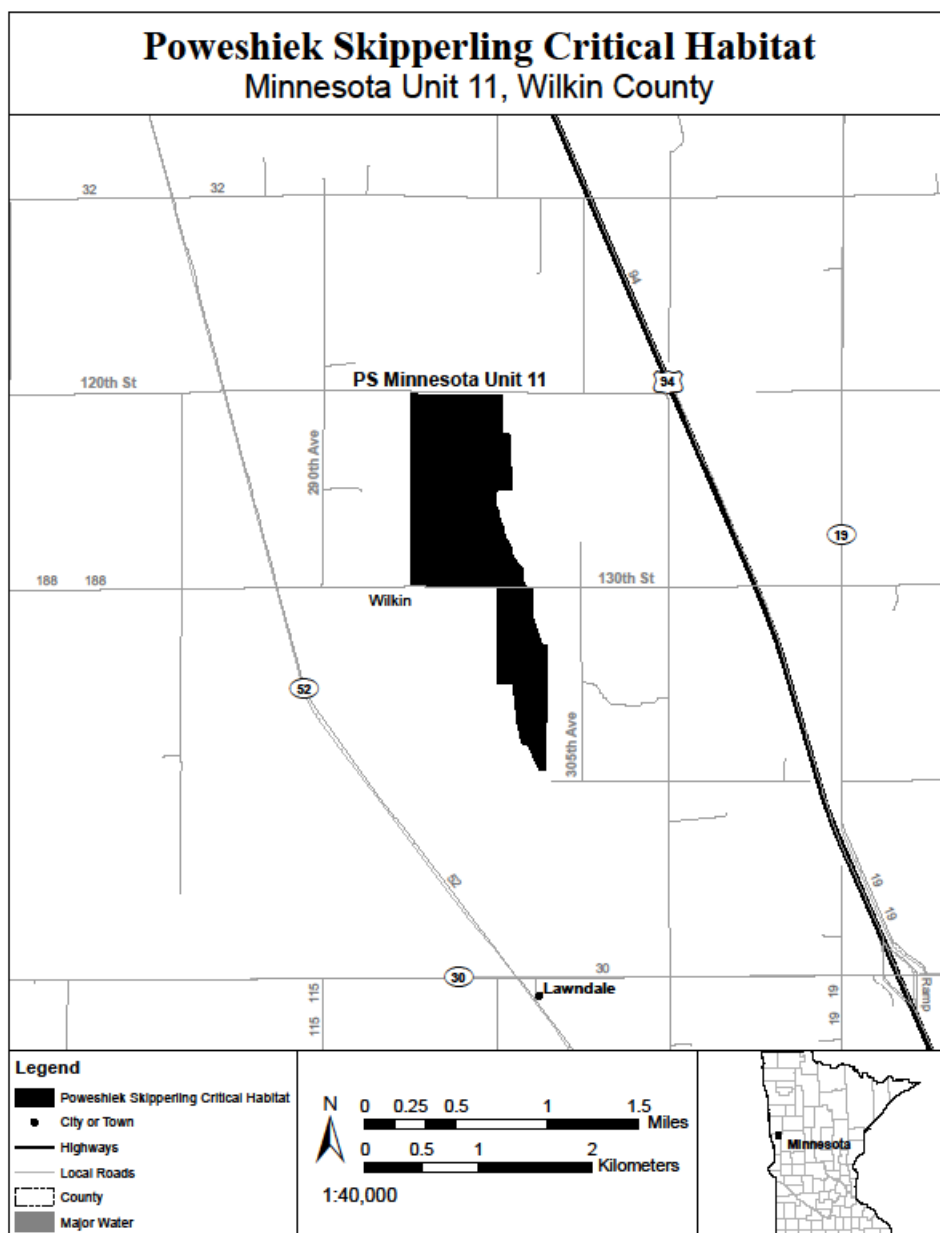
(32) PS Minnesota Units 8 and 9, Pipestone County, Minnesota. Map of PS Minnesota Units 8 and 9 follows:



(33) PS Minnesota Unit 10, Chippewa County and Swift County, Minnesota.

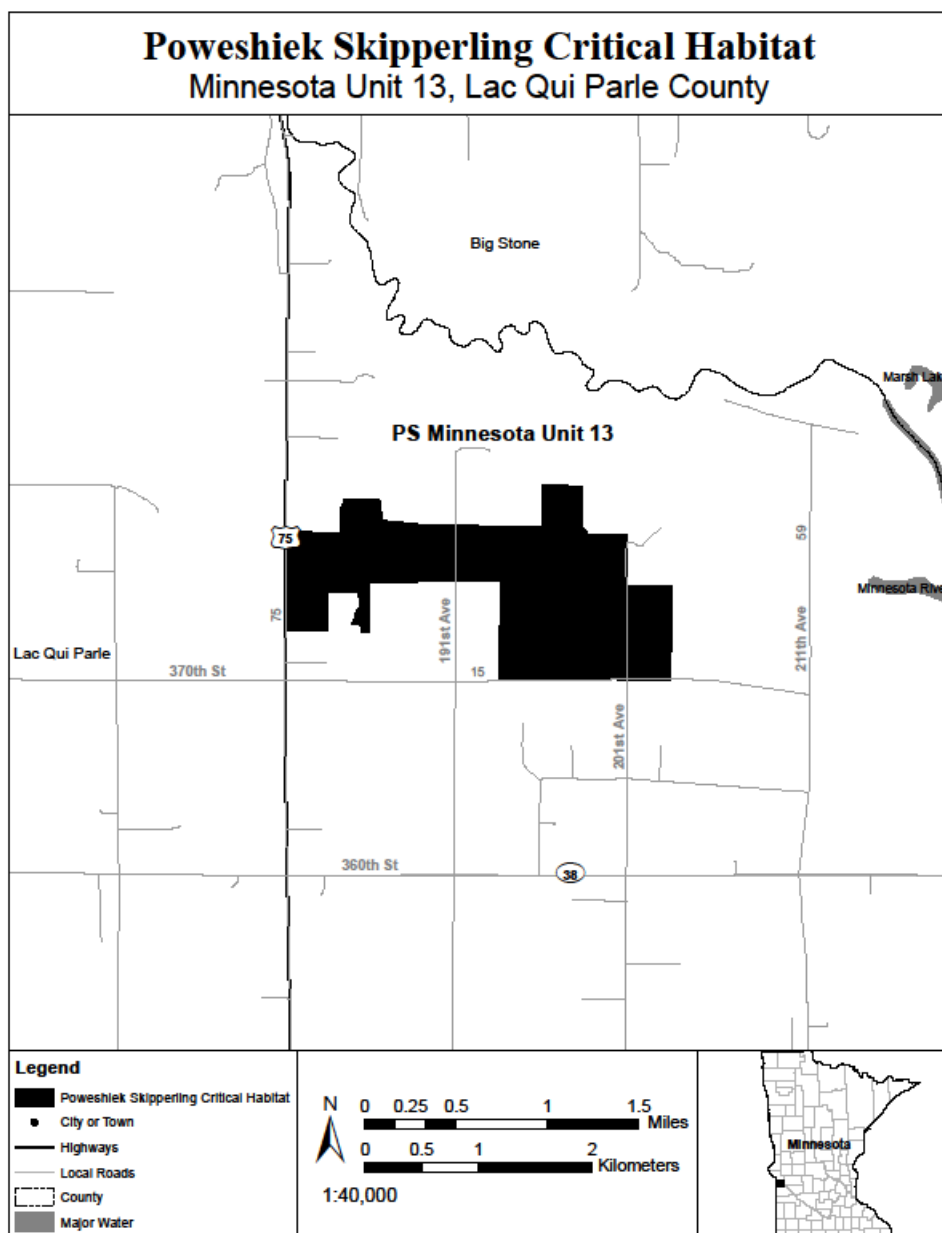
Map of PS Minnesota Unit 10 follows:





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(36) PS Minnesota Unit 13, Lac Qui Parle County, Minnesota. Map of PS Minnesota Unit 13 follows:

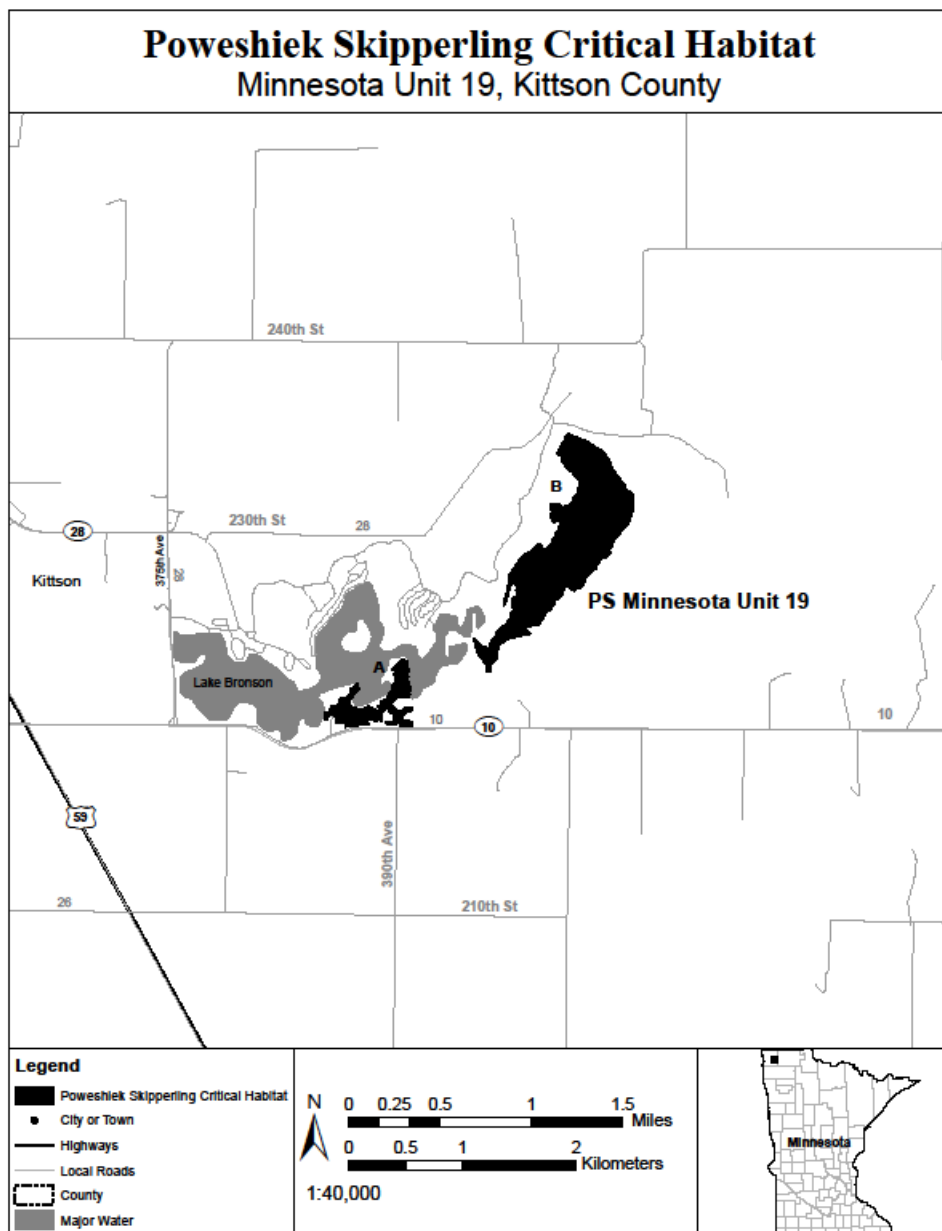


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(41) PS Minnesota Unit 19, Kittson County, Minnesota. Map of PS Minnesota

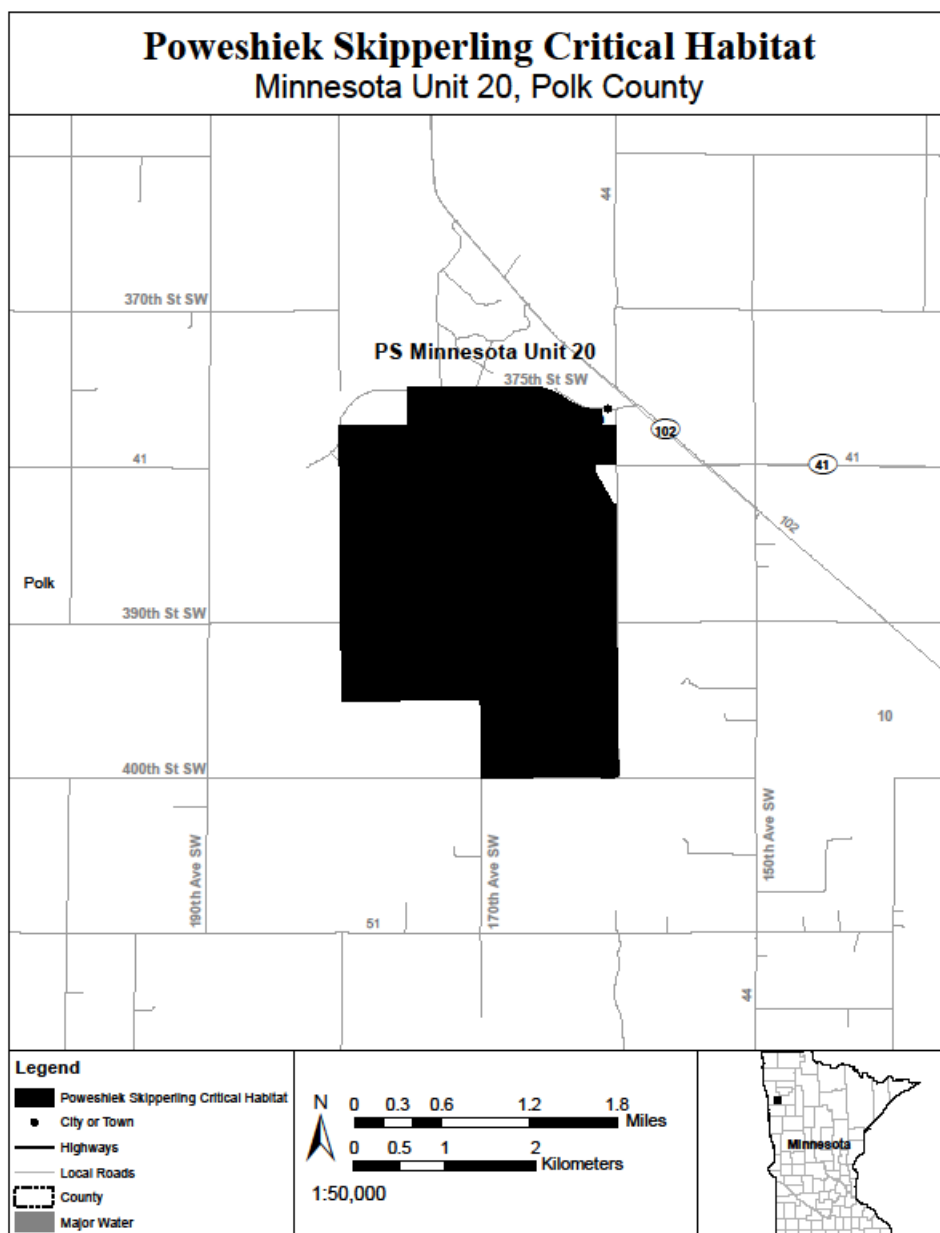
Unit 19 follows:





(42) PS Minnesota Unit 20, Polk County, Minnesota. Map of PS Minnesota Unit

20 follows:



\* \* \* \* \*

Dated: September 15, 2014

Michael J. Bean

Principal Deputy Assistant Secretary for Fish and Wildlife and Parks

~~[Endangered and Threatened Wildlife and Plants; Listing and Designation of  
Critical Habitat for the Dakota Skipper and the Poweshiek Skipperling]~~

Billing Code 4310-55-P

[FR Doc. 2014-22577 Filed 09/22/2014 at 8:45 am; Publication Date: 09/23/2014]